



# HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2021

OF THE CONDITION AND AFFAIRS OF THE

## USAbLe PPO Insurance Company

NAIC Group Code 0876 0876 NAIC Company Code 16750 Employer's ID Number 84-4586338  
(Current) (Prior)

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

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health

Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized 01/17/2020 Commenced Business 01/01/2021

Statutory Home Office 601 S. Gaines, Little Rock, AR, US 72201  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 601 S. Gaines  
(Street and Number)  
Little Rock, AR, US 72201, 501-378-2000  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 601 S. Gaines, Little Rock, AR, US 72201  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 601 S. Gaines  
(Street and Number)  
Little Rock, AR, US 72201, 501-378-2000  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.arkbluemedicare.com

Statutory Statement Contact Scott Bradley Winter, 501-399-3951  
(Name) (Area Code) (Telephone Number)  
sbwinter@arkbluecross.com, 501-378-3258  
(E-mail Address) (FAX Number)

### OFFICERS

President Gray Donald Dillard Secretary Timothy Gerard Gauger  
Treasurer Scott Bradley Winter

### OTHER

Calvin Eugene Kellogg

### DIRECTORS OR TRUSTEES

Gray Donald Dillard Calvin Eugene Kellogg Kathleen O'Dea Ryan #  
Philip Eugene Sherrill # Scott Bradley Winter

State of Arkansas SS:  
County of Pulaski

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

Gray Donald Dillard  
President

Scott Bradley Winter  
Treasurer

Timothy Gerard Gauger  
Secretary

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

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

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**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 .....	44,825,431		44,825,431	44,809,970
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 (\$ .....3,136,342 ), cash equivalents (\$ .....2,667,693 ) and short-term investments (\$ ..... ) .....	5,804,035		5,804,035	2,187,276
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....			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) .....	50,629,466	0	50,629,466	46,997,246
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	129,326		129,326	131,476
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ .....324,367 ) and contracts subject to redetermination (\$ .....217,097 ) .....	541,464		541,464	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	1,742,022
18.2 Net deferred tax asset .....			0	0
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 .....	9,237		9,237	9,237
24. Health care (\$ .....354,206 ) and other amounts receivable .....	567,186	212,980	354,206	0
25. Aggregate write-ins for other than invested assets .....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	51,876,679	212,980	51,663,699	48,879,981
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	51,876,679	212,980	51,663,699	48,879,981
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. ....				
2502. ....				
2503. ....				
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)	0	0	0	0

STATEMENT AS OF JUNE 30, 2021 OF THE USAble PPO

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....	2,294,443		2,294,443	0
2. Accrued medical incentive pool and bonus amounts .....	258,105		258,105	0
3. Unpaid claims adjustment expenses .....	68,192		68,192	0
4. Aggregate health policy reserves, including the liability of \$ ..... for medical loss ratio rebate per the Public Health Service Act .....	2,630,681		2,630,681	5,261,363
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 .....			0	97
9. General expenses due or accrued .....	24,304		24,304	0
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability .....	8,479		8,479	14,350
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 .....	9,791,836		9,791,836	9,079,010
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 .....	342,419		342,419	0
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	0	0	0	0
24. Total liabilities (Lines 1 to 23) .....	15,418,459	0	15,418,459	14,354,820
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX	46,320,610	46,320,610
27. Preferred capital stock .....	XXX	XXX		
28. Gross paid in and contributed surplus .....	XXX	XXX		
29. Surplus notes .....	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(10,075,370)	(11,795,450)
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	36,245,240	34,525,160
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	51,663,699	48,879,980
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
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) .....	0	0	0	0
2501. ....	XXX	XXX		
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	XXX	XXX	0	0
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 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	9,665	0	0
2. Net premium income ( including \$ non-health premium income)	XXX	8,533,849		0
3. Change in unearned premium reserves and reserve for rate credits	XXX			0
4. Fee-for-service (net of \$ medical expenses)	XXX			0
5. Risk revenue	XXX			0
6. Aggregate write-ins for other health care related revenues	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	8,533,849	0	0
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits		5,628,094		0
10. Other professional services		3,938		0
11. Outside referrals				0
12. Emergency room and out-of-area		205,000		0
13. Prescription drugs		1,324,439		0
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		268,621		0
16. Subtotal (Lines 9 to 15)	0	7,430,092	0	0
<b>Less:</b>				
17. Net reinsurance recoveries				0
18. Total hospital and medical (Lines 16 minus 17)	0	7,430,092	0	0
19. Non-health claims (net)				0
20. Claims adjustment expenses, including \$ 392,696 cost containment expenses		495,747		1,802,671
21. General administrative expenses		2,005,499		7,271,318
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		(2,630,682)		5,261,363
23. Total underwriting deductions (Lines 18 through 22)	0	7,300,656	0	14,335,352
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	1,233,193	0	(14,335,352)
25. Net investment income earned		514,424	283,764	802,993
26. Net realized capital gains (losses) less capital gains tax of \$				
27. Net investment gains (losses) (Lines 25 plus 26)	0	514,424	283,764	802,993
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	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	1,747,617	283,764	(13,532,359)
31. Federal and foreign income taxes incurred	XXX	(179,574)	59,945	(1,742,022)
32. Net income (loss) (Lines 30 minus 31)	XXX	1,927,191	223,819	(11,790,337)
<b>DETAILS OF WRITE-INS</b>				
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.	XXX			
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.				
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	0	0	0

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

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	34,525,160	0	0
34. Net income or (loss) from Line 32.....	1,927,191	223,819	(11,790,337)
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.....	5,870		(5,113)
39. Change in nonadmitted assets.....	(212,980)		0
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.....			
44. Capital Changes:			
44.1 Paid in.....		46,320,610	46,320,610
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....	0	0	0
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.....	0	0	0
48. Net change in capital & surplus (Lines 34 to 47).....	1,720,081	46,544,429	34,525,160
49. Capital and surplus end of reporting period (Line 33 plus 48)	36,245,241	46,544,429	34,525,160
<b>DETAILS OF WRITE-INS</b>			
4701. ....			
4702. ....			
4703. ....			
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

## STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	5,361,606	0	97
2. Net investment income .....	501,113	145,368	647,172
3. Miscellaneous income .....	0	0	0
4. Total (Lines 1 to 3) .....	5,862,719	145,368	647,269
5. Benefit and loss related payments .....	2,814,048	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	2,035,397	0	9,073,989
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	(1,921,595)	0	0
10. Total (Lines 5 through 9) .....	2,927,850	0	9,073,989
11. Net cash from operations (Line 4 minus Line 10) .....	2,934,869	145,368	(8,426,720)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	0	0	0
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 .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	0	0	0
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	0	44,785,624	44,785,624
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 .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	0	44,785,624	44,785,624
14. Net increase (or 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) .....	0	(44,785,624)	(44,785,624)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	46,320,610	46,320,610
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	0
16.6 Other cash provided (applied) .....	681,889	1,838	9,079,011
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	681,889	46,322,448	55,399,621
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	3,616,758	1,682,192	2,187,277
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	2,187,277	0	0
19.2 End of period (Line 18 plus Line 19.1) .....	5,804,035	1,682,192	2,187,277

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

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STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>Total Members at end of:</b>										
1. Prior Year .....	0									
2. First Quarter .....	1,614	0	0	0	0	0	0	1,614	0	0
3. Second Quarter .....	1,682							1,682		
4. Third Quarter .....	0									
5. Current Year	0									
6. Current Year Member Months	9,665							9,665		
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician .....	0									
8. Non-Physician .....	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Health Premiums Written (a) .....	8,533,848							8,533,848		
13. Life Premiums Direct .....	0									
14. Property/Casualty Premiums Written .....	0									
15. Health Premiums Earned .....	8,533,848							8,533,848		
16. Property/Casualty Premiums Earned .....	0									
17. Amount Paid for Provision of Health Care Services.....	5,424,959							5,424,959		
18. Amount Incurred for Provision of Health Care Services	7,430,093							7,430,093		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ .....8,533,848

STATEMENT AS OF JUNE 30, 2021 OF THE USAbLe PPO

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

**Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
<b>Claims Unpaid (Reported)</b>						
# Covered Provider Capitation Payment Due .....	5,645	5,524	5,588	5,587	10,203	32,547
0199999. Individually listed claims unpaid	5,645	5,524	5,588	5,587	10,203	32,547
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## 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 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 Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....					0	0
2. Medicare Supplement .....					0	0
3. Dental Only .....					0	0
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....					0	0
6. Title XVIII - Medicare .....		5,414,443		2,294,443	0	0
7. Title XIX - Medicaid .....					0	0
8. Other health .....					0	0
9. Health subtotal (Lines 1 to 8) .....	0	5,414,443	0	2,294,443	0	0
10. Healthcare receivables (a) .....		547,414			0	0
11. Other non-health .....					0	0
12. Medical incentive pools and bonus amounts .....		10,516		258,105	0	0
13. Totals (Lines 9-10+11+12)	0	4,877,545	0	2,552,548	0	0

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

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 Summary of Significant Accounting Policies and Going Concern**

**A. Accounting Practices**

The financial statements of the company are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department.

The Arkansas Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Arkansas Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Arkansas.

	SSAP #	F/S Page	F/S Line #	2021	2020
<b>NET INCOME</b>					
(1) State basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$ 1,927,191	\$ (11,790,337)
(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	\$ 1,927,191	\$ (11,790,337)
<b>SURPLUS</b>					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 36,245,240	\$ 34,525,160
(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	\$ 36,245,240	\$ 34,525,160

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure 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**

Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business are charged to operations as incurred.

In addition, the company uses the following accounting policies:

(1) Basis for Short-Term Investments

Short-term investments are stated at amortized cost.

(2) Basis for Bonds and Amortization Schedule

Bonds not backed by other loans are stated at amortized cost using the interest method.

(3) Basis for Common Stocks

The Company does not have common stock.

(4) Basis for Preferred Stocks

The Company does not have preferred stock.

(5) Basis for Mortgage Loans

The Company does not have Mortgage Loans.

(6) Basis for Loan-Backed Securities and Adjustment Methodology

The Company does not have loan-back securities

(7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

The Company does not have any investments in subsidiaries.

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

The Company does not have any investments in Joint Ventures, Partnerships and Limited Liabilities Entities.

(9) Accounting Policies for Derivatives

The Company does not have any derivatives.

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

The Company does anticipate investment income as a factor in the premium deficiency calculation.

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses

When setting reserves, the Company employs the 5 methods that are described below. Based on the estimates of these methods and also retrospective considerations, the company sets a best estimate and then an explicit margin is added to ensure that the estimate is sufficient. The average of the methods, as well as the spread of the estimates, is also considered when setting the respective liabilities. Aggregate liabilities are tested against other aggregate estimation methods to check for reasonableness, and any additional margin or adjustments are made

a. Aggregate Method: 12 months of paid claims are subtracted from 12 months of estimated incurred claims to get the liability estimate

b. 3 Month Average Method: For the base liability estimate, the average liability of the third, fourth, and fifth month prior to the current month is used.

Adjustments are made for trend, membership change, and backlog to determine the current month's estimate of liability.

c. Previous Year's IBNR Method This method is similar to the Three Month Average Method, except that the actual reserve from one year ago is used as the base estimate of liability. This is projected forward using adjustments for trend, membership change, and backlog.

d. CY Lag Method: This method calculates completion factors by incurral year. Completion factors used for the current year are based on the previous year's experience. Completion factors for the most recent 3 years are set manually.

e. 12 Month CF Method: This method is identical to the CY Lag Method, except that historical completion factors are based on 12 months of rolling data.

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

No change in the capitalization policy this year.

(13) Method Used to Estimate Pharmaceutical Rebate Receivables

Pharmacy rebate receivable estimates are based upon the prior quarter's invoiced amounts

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**NOTES TO FINANCIAL STATEMENTS**

D. Going Concern

For the period ending June 30, 2021 management has evaluated the Company's ability to continue as a going concern. Management has concluded that there is not substantial doubt that the Company can continue as a going concern, therefore, there are no policies in place to alleviate such situations.

**NOTE 2 Accounting Changes and Corrections of Errors**

No significant changes

**NOTE 3 Business Combinations and Goodwill**

No significant changes

**NOTE 4 Discontinued Operations**

No significant changes

**NOTE 5 Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans  
No significant changes
- B. Debt Restructuring  
No significant changes
- C. Reverse Mortgages  
No significant changes
- D. Loan-Backed Securities  
No significant changes
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions  
No significant changes
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing  
No significant changes
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing  
No significant changes
- H. Repurchase Agreements Transactions Accounted for as a Sale  
No significant changes
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale  
No significant changes
- J. Real Estate  
No significant changes
- K. Low Income Housing tax Credits (LIHTC)  
No significant changes
- L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Non- admitted) Restricted from Current Year	2 Total Gross (Admitted & Non- admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Non- admitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Non- admitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown			\$ -		\$ -	0.000%	0.000%
b. Collateral held under security lending agreements			\$ -		\$ -	0.000%	0.000%
c. Subject to repurchase agreements			\$ -		\$ -	0.000%	0.000%
d. Subject to reverse repurchase agreements			\$ -		\$ -	0.000%	0.000%
e. Subject to dollar repurchase agreements			\$ -		\$ -	0.000%	0.000%
f. Subject to dollar reverse repurchase agreements			\$ -		\$ -	0.000%	0.000%
g. Placed under option contracts			\$ -		\$ -	0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock			\$ -		\$ -	0.000%	0.000%
i. FHLB capital stock			\$ -		\$ -	0.000%	0.000%
j. On deposit with states	\$ 128,399		\$ 128,399		\$ 128,399	0.248%	0.249%
k. On deposit with other regulatory bodies			\$ -		\$ -	0.000%	0.000%
l. Pledged collateral to FHLB (including assets backing funding agreements)			\$ -		\$ -	0.000%	0.000%
m. Pledged as collateral not captured in other categories			\$ -		\$ -	0.000%	0.000%
n. Other restricted assets			\$ -		\$ -	0.000%	0.000%
<b>o. Total Restricted Assets</b>	<b>\$ 128,399</b>	<b>\$ -</b>	<b>\$ 128,399</b>	<b>\$ -</b>	<b>\$ 128,399</b>	<b>0.248%</b>	<b>0.249%</b>

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**NOTES TO FINANCIAL STATEMENTS**

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)

Description of Assets	1 Total Gross (Admitted & Non- admitted) Restricted from Current Year	2 Total Gross (Admitted & Non- admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Non- admitted) Restricted to Total Assets	6 Admitted Restricted to Total Admitted Assets
Total (a)	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%

(a) Total Line for Columns 1 through 3 should equal 5L(1)m Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)m Column 5. Not Applicable

3. Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	1 Total Gross (Admitted & Non- admitted) Restricted from Current Year	2 Total Gross (Admitted & Non- admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Non- admitted) Restricted to Total Assets	6 Admitted Restricted to Total Admitted Assets
Total (a)	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%

(a) Total Line for Columns 1 through 3 should equal 5L(1)n Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)n Column 5. Not Applicable

4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted)*	4 % of BACV to Total Admitted Assets **
a. Cash, Cash Equivalents and Short-Term Investments			0.000%	0.000%
b. Schedule D, Part 1			0.000%	0.000%
c. Schedule D, Part 2, Section 1			0.000%	0.000%
d. Schedule D, Part 2, Section 2			0.000%	0.000%
e. Schedule B			0.000%	0.000%
f. Schedule A			0.000%	0.000%
g. Schedule BA, Part 1			0.000%	0.000%
h. Schedule DL, Part 1			0.000%	0.000%
i. Other			0.000%	0.000%
<b>j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)</b>	\$ -	\$ -	0.000%	0.000%

\* Column 1 divided by Asset Page, Line 26 (Column 1)

\*\* Column 1 divided by Asset Page, Line 26 (Column 3)

1 Amount	2 % of Liability to Total Liabilities *
k. Recognized Obligation to Return Collateral Asset	0.000%

\* Column 1 divided by Liability Page, Line 24 (Column 3)

Not Applicable

M. Working Capital Finance Investments  
No significant changes

N. Offsetting and Netting of Assets and Liabilities  
No significant changes

O. 5GI Securities  
No significant changes

P. Short Sales  
No significant changes

Q. Prepayment Penalty and Acceleration Fees  
No significant changes

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

Asset Type	Percent Share
(1) Cash	0.0%
(2) Cash Equivalents	100.0%
(3) Short-Term Investments	0.0%
(4) Total	100.0%

**NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies**  
No significant changes

**NOTE 7 Investment Income**  
No significant changes

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 Derivative Instruments**

No significant changes

**NOTE 9 Income Taxes**

A. The components of the net deferred tax asset/(liability) at the end of current period are as follows:

1.

	As of End of Current Period			12/31/2020			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 - 4) Ordinary	(Col. 2 - 5) Capital	(Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$ 558,313		\$ 558,313	\$ 1,104,886	\$ -	\$ 1,104,886	\$ (546,573)	\$ -	\$ (546,573)
(b) Statutory Valuation Allowance Adjustment	\$ 552,443		\$ 552,443	\$ 1,104,886	\$ -	\$ 1,104,886	\$ (552,443)	\$ -	\$ (552,443)
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 5,870	\$ -	\$ 5,870	\$ -	\$ -	\$ -	\$ 5,870	\$ -	\$ 5,870
(d) Deferred Tax Assets Nonadmitted			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 5,870	\$ -	\$ 5,870	\$ -	\$ -	\$ -	\$ 5,870	\$ -	\$ 5,870
(f) Deferred Tax Liabilities	\$ 14,350		\$ 14,350	\$ 14,350	\$ -	\$ 14,350	\$ -	\$ -	\$ -
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ (8,480)	\$ -	\$ (8,480)	\$ (14,350)	\$ -	\$ (14,350)	\$ 5,870	\$ -	\$ 5,870

2.

	As of End of Current Period			12/31/2020			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 - 4) Ordinary	(Col. 2 - 5) Capital	(Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 558,313		\$ 558,313	\$ 2,209,772	\$ -	\$ 2,209,772	\$ (1,651,459)	\$ -	\$ (1,651,459)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 558,313		\$ 558,313	\$ 1,104,886	\$ -	\$ 1,104,886	\$ (546,573)	\$ -	\$ (546,573)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 558,313	XXX	XXX	\$ -	XXX	XXX	\$ 558,313
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ (552,443)		\$ (552,443)	\$ (1,104,886)	\$ -	\$ (1,104,886)	\$ 552,443	\$ -	\$ 552,443
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 5,870	\$ -	\$ 5,870	\$ 1,104,886	\$ -	\$ 1,104,886	\$ (1,099,016)	\$ -	\$ (1,099,016)

3.

	2021	2020
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	22004.600%	22004.600%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 34,525,160	\$ 34,525,160

4.

	As of End of Current Period		12/31/2020		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col. 1 - 3) Ordinary	(Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1 (c)	\$ 5,870	\$ -	\$ -	\$ -	\$ 5,870	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies			0.000%	0.000%	0.000%	0.000%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 5,870	\$ -	\$ -	\$ -	\$ 5,870	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies			0.000%	0.000%	0.000%	0.000%

b. Do the Company's tax-planning strategies include the use of reinsurance? Yes  No

B. Deferred Tax Liabilities Not Recognized

No significant changes

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**NOTES TO FINANCIAL STATEMENTS**

C. Current income taxes incurred consist of the following major components:

	(1) As of End of Current Period	(2) 12/31/2020	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ (179,574)	\$ (1,742,022)	\$ 1,562,448
(b) Foreign		\$ -	\$ -
(c) Subtotal	\$ (179,574)	\$ (1,742,022)	\$ 1,562,448
(d) Federal income tax on net capital gains		\$ -	\$ -
(e) Utilization of capital loss carry-forwards		\$ -	\$ -
(f) Other		\$ -	\$ -
(g) Federal and foreign income taxes incurred	\$ (179,574)	\$ (1,742,022)	\$ 1,562,448
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 5,870	\$ -	\$ 5,870
(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 (including items <5% of total ordinary tax assets)	\$ 552,443	\$ 1,104,886	\$ (552,443)
(99) Subtotal	\$ 558,313	\$ 1,104,886	\$ (546,573)
(b) Statutory valuation allowance adjustment	\$ 552,443	\$ 1,104,886	\$ (552,443)
(c) Nonadmitted		\$ -	\$ -
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 5,870	\$ -	\$ 5,870
(e) Capital:			
(1) Investments		\$ -	\$ -
(2) Net capital loss carry-forward		\$ -	\$ -
(3) Real estate		\$ -	\$ -
(4) Other (including items <5% of total ordinary tax assets)		\$ -	\$ -
(99) Subtotal	\$ -	\$ -	\$ -
(f) Statutory valuation allowance adjustment		\$ -	\$ -
(g) Nonadmitted		\$ -	\$ -
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ -	\$ -	\$ -
(i) Admitted deferred tax assets (2d + 2h)	\$ 5,870	\$ -	\$ 5,870
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments		\$ -	\$ -
(2) Fixed Assets		\$ -	\$ -
(3) Deferred and uncollected premium		\$ -	\$ -
(4) Policyholder reserves		\$ -	\$ -
(5) Other (including items <5% of total ordinary tax liabilities)	\$ 14,350	\$ 14,350	\$ -
(99) Subtotal	\$ 14,350	\$ 14,350	\$ -
(b) Capital:			
(1) Investments		\$ -	\$ -
(2) Real estate		\$ -	\$ -
(3) Other (including items <5% of total capital tax liabilities)		\$ -	\$ -
(99) Subtotal	\$ -	\$ -	\$ -
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 14,350	\$ 14,350	\$ -
4. Net deferred tax assets/liabilities (2i - 3c)	\$ (8,480)	\$ (14,350)	\$ 5,870

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount 12/31/2020	Effective Tax Rate Percentage
<b>Permanent Differences:</b>		
1. Provision computed at statutory rate	\$ 366,999	21.0%
2. Change in nonadmitted assets	\$ -	0%
3. Proration of tax exempt investment income	\$ -	0%
4. Tax exempt income deduction	\$ -	0%
5. Dividends received deduction	\$ -	0%
6. Disallowed travel and entertainment	\$ -	0%
7. Other permanent differences	\$ -	0%
<b>Temporary Differences:</b>	\$ -	0%
8. Total ordinary DTAs	\$ -	0%
9. Total ordinary DTLs	\$ -	0%
10. Total capital DTAs	\$ -	0%
11. Total capital DTLs	\$ -	0%
<b>Other:</b>	\$ -	0%
12. Statutory valuation allowance adjustment	\$ (552,443)	-31.6%
13. Accrual adjustment - prior year	\$ -	0.0%
14. Other	\$ -	0.0%
15. Totals	\$ (185,444)	-10.6%
16. Federal and foreign income taxes incurred	\$ (179,574)	-10.3%
17. Realized capital gain (losses) tax	\$ -	0.0%
18. Change in net deferred income taxes	\$ (5,870)	-0.3%
19. Total statutory income taxes	\$ (185,444)	-10.6%

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**NOTES TO FINANCIAL STATEMENTS**

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E. Operating Loss Carry Forwards and Income Taxes Available for Recoupment

No significant changes

F. Consolidated Federal Income Tax Return

No significant changes

G. Federal or Foreign Federal Income Tax Loss Contingencies:

No significant changes

H. Repatriation Transition Tax (RTT)

No significant changes

I. Alternative Minimum Tax (AMT) Credit

No significant changes

**NOTE 10 Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

A. Nature of Relationship Involved

USABLE Mutual Insurance Company, d.b.a Arkansas Blue Cross Blue Shield, owns 100% of USABLE Corporation, 20% of Partnership for a Healthy Arkansas, LLC, and 50% of HMO Partners, Inc. The Company owns 43.07% of LSV, LLC. LSV, LLC owns 100% of USABLE Life. As of June 30, 2021, USABLE Corporation owns 100% of Pinnacle Insurance Agency, 100% of USABLE Partners, LLC, 10% of New Directions Behavioral Health Holding Company, LLC, 100% USABLE HMO, and 100% USABLE PPO.

**NOTE 11 Debt**

No significant changes

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

No significant changes

**NOTE 13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

No significant changes

**NOTE 14 Liabilities, Contingencies and Assessments**

No significant changes

**NOTE 15 Leases**

No significant changes

**Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of**

**NOTE 16 Credit Risk**

No significant changes

**NOTE 17 Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

No significant changes

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

No significant changes

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

No significant changes

**NOTE 20 Fair Value Measurements**

No significant changes

**NOTE 21 Other Items**

No significant changes

**NOTE 22 Events Subsequent**

No significant changes

**NOTE 23 Reinsurance**

No significant changes

**NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination**

No significant changes

**NOTE 25 Change in Incurred Claims and Claim Adjustment Expenses**

The Company has no claims incurred prior to 2021

**NOTE 26 Intercompany Pooling Arrangements**

No significant changes

**NOTE 27 Structured Settlements**

No significant changes

**NOTE 28 Health Care Receivables**

No significant changes

**NOTE 29 Participating Policies**

No significant changes

**NOTE 30 Premium Deficiency Reserves**

1. Liability carried for premium deficiency reserves	\$	2,630,681
2. Date of the most recent evaluation of this liability		06/30/2021
3. Was anticipated investment income utilized in the calculation?		Yes [X] No [ ]

**NOTE 31 Anticipated Salvage and Subrogation**

No significant changes

STATEMENT AS OF JUNE 30, 2021 OF THE US Able PPO  
**NOTES TO FINANCIAL STATEMENTS**

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**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 [ X ]
- 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 [ X ]
- 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 [ X ] 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 [ X ]
- 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 [ X ]
- 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. ....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]  
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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 [ X ] N/A [ ]  
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. ....
- 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. ....
- 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). ....
- 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 [ ] N/A [ X ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 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 [ X ]
- 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 [ X ]
- 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 [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

## STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**GENERAL INTERROGATORIES**

- 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: ..... \$ 9,237

**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<br>Prior Year-End<br>Book/Adjusted<br>Carrying Value | 2<br>Current Quarter<br>Book/Adjusted<br>Carrying Value |
|---|--|---|
| 14.21 Bonds .....   | \$ 0   | \$ 0  |
| 14.22 Preferred Stock .....   | \$ 0   | \$ 0  |
| 14.23 Common Stock .....  | \$ 0   | \$ 0  |
| 14.24 Short-Term Investments .....  | \$ 0   | \$ 0  |
| 14.25 Mortgage Loans on Real Estate .....   | \$ 0   | \$ 0  |
| 14.26 All Other .....   | \$ 0   | \$ 0  |
| 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 .....                       | \$ 0   | \$ 0  |
- 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  N/A
- 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

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**GENERAL INTERROGATORIES**

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 [ X ] 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 Institutional Trust and Custody .....	PO Box 387, St. Louis, MO 61366-0387 .....

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 [ X ]

17.4 If yes, give full 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
Gray D. Dillard .....	I.....

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 [ X ]

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 [ X ]

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

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

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

Has the reporting entity self-designated 5GI securities? ..... Yes [ ] No [ X ]

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

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

Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]

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 .....80.0 %
  - 1.2 A&H cost containment percent .....5.7 %
  - 1.3 A&H expense percent excluding cost containment expenses .....30.6 %
- 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 [ ] No [ X ]
- 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 [ X ]

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

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

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

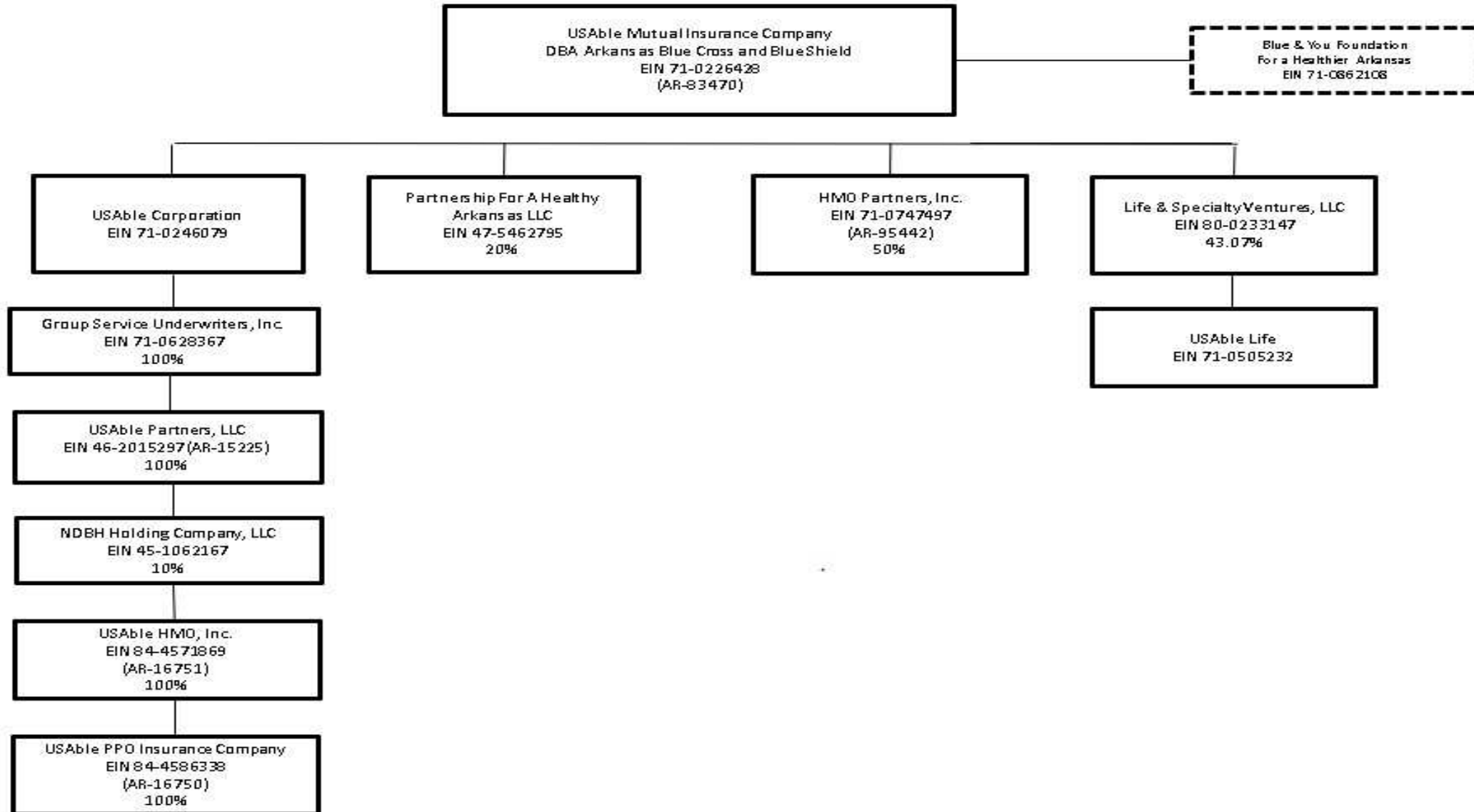
States, etc.	1 Active Status (a)	Direct Business Only								
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts
1. Alabama AL	N								0	
2. Alaska AK	N								0	
3. Arizona AZ	N								0	
4. Arkansas AR	L		8,533,848						8,533,848	
5. California CA	N								0	
6. Colorado CO	N								0	
7. Connecticut CT	N								0	
8. Delaware DE	N								0	
9. District of Columbia DC	N								0	
10. Florida FL	N								0	
11. Georgia GA	N								0	
12. Hawaii HI	N								0	
13. Idaho ID	N								0	
14. Illinois IL	N								0	
15. Indiana IN	N								0	
16. Iowa IA	N								0	
17. Kansas KS	N								0	
18. Kentucky KY	N								0	
19. Louisiana LA	N								0	
20. Maine ME	N								0	
21. Maryland MD	N								0	
22. Massachusetts MA	N								0	
23. Michigan MI	N								0	
24. Minnesota MN	N								0	
25. Mississippi MS	N								0	
26. Missouri MO	N								0	
27. Montana MT	N								0	
28. Nebraska NE	N								0	
29. Nevada NV	N								0	
30. New Hampshire NH	N								0	
31. New Jersey NJ	N								0	
32. New Mexico NM	N								0	
33. New York NY	N								0	
34. North Carolina NC	N								0	
35. North Dakota ND	N								0	
36. Ohio OH	N								0	
37. Oklahoma OK	N								0	
38. Oregon OR	N								0	
39. Pennsylvania PA	N								0	
40. Rhode Island RI	N								0	
41. South Carolina SC	N								0	
42. South Dakota SD	N								0	
43. Tennessee TN	N								0	
44. Texas TX	N								0	
45. Utah UT	N								0	
46. Vermont VT	N								0	
47. Virginia VA	N								0	
48. Washington WA	N								0	
49. West Virginia WV	N								0	
50. Wisconsin WI	N								0	
51. Wyoming WY	N								0	
52. American Samoa AS	N								0	
53. Guam GU	N								0	
54. Puerto Rico PR	N								0	
55. U.S. Virgin Islands VI	N								0	
56. Northern Mariana Islands MP	N								0	
57. Canada CAN	N								0	
58. Aggregate Other Aliens OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	8,533,848	0	0	0	0	0	8,533,848	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX								0	
61. Totals (Direct Business)	XXX	0	8,533,848	0	0	0	0	0	8,533,848	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:

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

Premium is recorded based on system data at the individual level

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



STATEMENT AS OF JUNE 30, 2021 OF THE USAbLe PPO

**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
.0876	USAbLe Mutual Insurance Company	83470	71-0226428				USAbLe Mutual Insurance Company	AR		USAbLe Mutual Insurance Company	Board		USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company		71-0862108				Blue & You Foundation	AR	NIA	USAbLe Mutual Insurance Company	Ownership, Board, Influence		USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company		71-0246079				USAbLe Corporation	AR	DS	USAbLe Mutual Insurance Company	Ownership, Board, Influence	100.000	USAbLe Mutual Insurance Company	Y	
.0876	USAbLe Mutual Insurance Company		47-5462795				Partnership for a Health Arkansas LLC	AR	DS	USAbLe Mutual Insurance Company	Ownership, Influence, Board	20.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company	95442	71-0747497				HMO Partners, Inc.	AR	DS	USAbLe Mutual Insurance Company	Ownership, Board, Influence	50.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company		80-0233147				Life & Specialty Ventures, Inc.	DE	NIA	USAbLe Mutual Insurance Company	Ownership, Board, Influence	43.070	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company		71-0628367				Group Service Underwriters, Inc.	AR	DS	USAbLe Corporation	Ownership, Influence	100.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company		27-3645332				MedSite Health Management, LLC	AR	DS	USAbLe Corporation	Ownership, Board, Influence	50.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company	15225	46-2015297				USAbLe Partners, LLC	AR	DS	USAbLe Corporation	Ownership, Board, Influence	100.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company		45-1062167				NDBH Holding Company, LLC	AR	DS	USAbLe Corporation	Ownership, Influence	10.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company	94358	71-0505232				USAbLe Life	AR	IA	Life and Specialty Ventures, LLC	Ownership	100.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company	16751	84-4571869				USAbLe HMO, Inc.	AR	DS	USAbLe Corporation	Ownership, Board, Influence	100.000	USAbLe Mutual Insurance Company	N	
.0876	USAbLe Mutual Insurance Company	16750	84-4586338				USAbLe PPO Insurance Company	AR	DS	USAbLe Corporation	Ownership, Board, Influence	100.000	USAbLe Mutual Insurance Company	N	

Asterisk	Explanation

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO

Explanation:

1. The Compay does not offer this product.

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]



STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**OVERFLOW PAGE FOR WRITE-INS**

## STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

**NONE****SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

**NONE****SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....		

**NONE****SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	44,809,970	
2. Cost of bonds and stocks acquired .....	0	44,785,624
3. Accrual of discount .....	15,461	24,346
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration for bonds and stocks disposed of .....	0	0
7. Deduct amortization of premium .....	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	44,825,431	44,809,970
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	44,825,431	44,809,970

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	44,817,667	0	0	7,764	44,817,667	44,825,431	0	44,809,970
2. NAIC 2 (a) .....	0	0	0	0	0	0	0	0
3. NAIC 3 (a) .....	0	0	0	0	0	0	0	0
4. NAIC 4 (a) .....	0	0	0	0	0	0	0	0
5. NAIC 5 (a) .....	0	0	0	0	0	0	0	0
6. NAIC 6 (a) .....	0	0	0	0	0	0	0	0
7. Total Bonds	44,817,667	0	0	7,764	44,817,667	44,825,431	0	44,809,970
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0	0	0	0	0	0	0	0
9. NAIC 2 .....	0	0	0	0	0	0	0	0
10. NAIC 3 .....	0	0	0	0	0	0	0	0
11. NAIC 4 .....	0	0	0	0	0	0	0	0
12. NAIC 5 .....	0	0	0	0	0	0	0	0
13. NAIC 6 .....	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	44,817,667	0	0	7,764	44,817,667	44,825,431	0	44,809,970

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ ..... ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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Schedule DA - Part 1 - Short-Term Investments

**NONE**

Schedule DA - Verification - Short-Term Investments

**NONE**

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**NONE**

Schedule DB - Part B - Verification - Futures Contracts

**NONE**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**NONE**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**NONE**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**NONE**

STATEMENT AS OF JUNE 30, 2021 OF THE USABLE PPO  
**SCHEDULE E - PART 2 - VERIFICATION**  
(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	2,164,366	0
2. Cost of cash equivalents acquired .....	504,949	2,186,711
3. Accrual of discount .....	0	0
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	1,622	22,345
7. Deduct amortization of premium .....	0	0
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other than temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	2,667,693	2,164,366
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	2,667,693	2,164,366

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**NONE**

Schedule A - Part 3 - Real Estate Disposed

**NONE**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**NONE**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**NONE**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**NONE**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**NONE**

Schedule D - Part 3 - Long-Term Bonds and Stocks Acquired

**NONE**

Schedule D - Part 4 - Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed Of

**NONE**

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

**NONE**

Schedule DB - Part B - Section 1 - Futures Contracts Open

**NONE**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

**NONE**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

**NONE**

Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees

**NONE**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

**NONE**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**NONE**



