



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2025  
OF THE CONDITION AND AFFAIRS OF THE

## HMO Partners, Inc

NAIC Group Code 0876 0876 NAIC Company Code 95442 Employer's ID Number 71-0747497  
(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: Health Maintenance Organization

Is HMO Federally Qualified? Yes [  ] No [  ]

Incorporated/Organized 11/08/1993 Commenced Business 01/01/1994

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 healthadvantage-hmo.com

Statutory Statement Contact Samuel Patterson Wenger, 501-294-5030  
(Name) (Area Code) (Telephone Number)  
SPWenger@arkbluecross.com, 501-378-3258  
(E-mail Address) (FAX Number)

### OFFICERS

Chairman of the Board Gray Donald Dillard Secretary Timothy Gerard Gauger  
Treasurer Scott Bradley Winter President / CEO Matthew Dennis Vannatta

### OTHER

Brent William Beaulieu, Vice Chairman

### DIRECTORS OR TRUSTEES

<u>Curtis Edwin Barnett</u>	<u>Brent William Beaulieu</u>	<u>Alicia Marie Berkemeyer</u>
<u>Gray Donald Dillard</u>	<u>Kelley Lyn Hamby #</u>	<u>Christina Powell Hockaday</u>
<u>Matthew Ridgway Jones</u>	<u>Calvin Eugene Kellogg</u>	<u>Charles Edgar Phillips MD</u>
<u>Tonya Renee Robertson</u>	<u>Sherman Ellis Tate</u>	<u>Matthew Dennis Vannatta</u>
<u>Troy Russell Wells</u>		

State of Arkansas SS  
County of Pulaski

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

Gray Donald Dillard  
Chairman of the Board

Scott Bradley Winter  
Treasurer

Timothy Gerard Gauger  
Secretary

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.....

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	35,091,791		35,091,791	44,653,329
2. Stocks (Schedule D):				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	5,134,390		5,134,390	5,814,695
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ encumbrances) .....			0	0
5. Cash (\$ ..... 26,022,510 , Schedule E - Part 1), cash equivalents (\$ ..... 4,163,707 , Schedule E - Part 2) and short-term investments (\$ ..... 99,442 , Schedule DA) .....	30,285,660		30,285,660	22,588,831
6. Contract loans, (including \$ ..... premium notes) .....			0	0
7. Derivatives (Schedule DB) .....			0	0
8. Other invested assets (Schedule BA) .....	9,529,047	683,233	8,845,815	8,720,316
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	80,040,888	683,233	79,357,656	81,777,171
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	172,613		172,613	256,264
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 (\$ ..... 237,213 ) and contracts subject to redetermination (\$ ..... 0 ) .....	288,811	51,598	237,213	872,806
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	15,647,599		15,647,599	11,918,952
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 .....	2,038,870	109,508	1,929,363	1,256,698
18.1 Current federal and foreign income tax recoverable and interest thereon .....	2,677,775		2,677,775	2,436,142
18.2 Net deferred tax asset .....	1,038,657		1,038,657	1,466,699
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 .....	19,049		19,049	128,796
24. Health care (\$ ..... 10,473,709 ) and other amounts receivable .....	15,705,506	4,691,653	11,013,853	8,903,378
25. Aggregate write-ins for other-than-invested assets .....	170,923	0	170,923	202,034
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	117,800,690	5,535,991	112,264,699	109,218,940
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	117,800,690	5,535,991	112,264,699	109,218,940
<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. Supplemental Savings Plan .....	69,681		69,681	100,792
2502. Other Assets .....	101,242		101,242	101,242
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)	170,923	0	170,923	202,034

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... 20,946,319 reinsurance ceded) .....	10,847,562		10,847,562	13,405,625
2. Accrued medical incentive pool and bonus amounts .....	1,234,175		1,234,175	793,997
3. Unpaid claims adjustment expenses.....	450,800		450,800	537,877
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	16,641,345		16,641,345	18,181,079
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance.....	2,914,355		2,914,355	2,755,125
9. General expenses due or accrued.....	2,763,310		2,763,310	2,599,664
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable.....	75,462		75,462	6,480,825
12. Amounts withheld or retained for the account of others.....	441,385		441,385	476,709
13. Remittances and items not allocated.....	(33,496)		(33,496)	312,351
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....	12,146,862		12,146,862	7,548,666
16. Derivatives.....			0	0
17. Payable for securities.....	2,400,000		2,400,000	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ .....0 unauthorized reinsurers and \$ .....0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans.....	18,324,918		18,324,918	15,547,308
23. Aggregate write-ins for other liabilities (including \$ ..... current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	68,206,677	0	68,206,677	68,639,225
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	10,000	10,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	1,919,153	1,919,153
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	42,128,869	38,650,563
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	44,058,022	40,579,716
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	112,264,699	109,218,941
<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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX	98,921	94,565
2. Net premium income ( including \$ ..... non-health premium income) .....	XXX	53,368,614	42,664,650
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	2,004,610	1,013,008
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
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	55,373,224	43,677,658
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		118,574,618	94,930,383
10. Other professional services .....		0	
11. Outside referrals .....		4,282,320	5,489,904
12. Emergency room and out-of-area .....		34,746,262	26,275,785
13. Prescription drugs .....		55,120,278	47,242,168
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		3,138,968	2,974,024
16. Subtotal (Lines 9 to 15) .....	0	215,862,446	176,912,264
<b>Less:</b>			
17. Net reinsurance recoveries .....		169,141,784	141,776,085
18. Total hospital and medical (Lines 16 minus 17) .....	0	46,720,662	35,136,179
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$ ..... 1,122,952 cost containment expenses ....		1,314,620	1,077,324
21. General administrative expenses .....		5,764,220	5,962,752
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		(600,000)	600,000
23. Total underwriting deductions (Lines 18 through 22).....	0	53,199,503	42,776,255
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	2,173,721	901,403
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		2,221,875	2,956,291
26. Net realized capital gains (losses) less capital gains tax of \$ .....182,816 .....		687,736	2,835,850
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	2,909,611	5,792,141
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	175,406	162,341
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	5,258,738	6,855,886
31. Federal and foreign income taxes incurred .....	XXX	325,551	942,907
32. Net income (loss) (Lines 30 minus 31)	XXX	4,933,187	5,912,979
<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
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX	0	0
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above)	XXX	0	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	0
2901. Licensing fee income .....		160,000	160,000
2902. Miscellaneous Income/Loss .....		15,406	2,341
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	175,406	162,341

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

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	40,579,714	51,351,069
34. Net income or (loss) from Line 32 .....	4,933,187	5,912,979
35. Change in valuation basis of aggregate policy and claim reserves .....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	182,428	(1,997,232)
37. Change in net unrealized foreign exchange capital gain or (loss) .....		
38. Change in net deferred income tax .....	(425,832)	(732,015)
39. Change in nonadmitted assets .....	(1,211,477)	6,044,914
40. Change in unauthorized and certified reinsurance .....	0	0
41. Change in treasury stock .....	0	0
42. Change in surplus notes .....	0	0
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in .....	0	0
44.2 Transferred from surplus (stock dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in .....	0	0
45.2 Transferred to capital (stock dividend) .....		
45.3 Transferred from capital .....		
46. Dividends to stockholders .....		(20,000,000)
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0
48. Net change in capital and surplus (Lines 34 to 47) .....	3,478,306	(10,771,354)
49. Capital and surplus end of reporting period (Line 33 plus 48)	44,058,020	40,579,714
<b>DETAILS OF WRITE-INS</b>		
4701. ....		
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	48,241,129	51,260,055
2. Net investment income .....	2,257,936	2,998,317
3. Miscellaneous income .....	0	0
4. Total (Lines 1 through 3) .....	50,499,065	54,258,372
5. Benefit and loss related payments .....	54,752,915	43,511,619
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	4,745,154	(332,907)
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	747,790	(215)
10. Total (Lines 5 through 9) .....	60,245,858	43,178,496
11. Net cash from operations (Line 4 minus Line 10) .....	(9,746,793)	11,079,876
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	18,411,928	20,428,262
12.2 Stocks .....	7,541,213	8,008,997
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	228,436	5,529,893
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	159	(43)
12.7 Miscellaneous proceeds .....	2,400,000	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	28,581,737	33,967,108
13. Cost of investments acquired (long-term only exclude cash equivalents and short-term investments):		
13.1 Bonds .....	9,168,474	13,056,633
13.2 Stocks .....	6,105,410	3,004,537
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	225,846	258,700
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	15,499,729	16,319,870
14. Net increase/(decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	13,082,007	17,647,238
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	20,000,000
16.6 Other cash provided (applied) .....	4,361,614	(4,300,940)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	4,361,614	(24,300,940)
<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) .....	7,696,829	4,426,173
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	22,588,829	18,162,656
19.2 End of year (Line 18 plus Line 19.1) .....	30,285,658	22,588,829

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

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ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income .....	53,368,614	53,604,103	(235,489)											
2. Change in unearned premium reserves and reserve for rate credit .....	2,004,610	1,769,121	235,489											
3. Fee-for-service (net of \$ medical expenses) .....	0													XXX
4. Risk revenue .....	0													XXX
5. Aggregate write-ins for other health care related revenues .....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6) .....	55,373,224	55,373,224	0	0	0	0	0	0	0	0	0	0	0	0
8. Hospital/medical benefits .....	118,574,618	81,416,361	37,158,257											XXX
9. Other professional services .....	0	0	0											XXX
10. Outside referrals .....	4,282,320	3,380,898	901,422											XXX
11. Emergency room and out-of-area .....	34,746,262	30,070,628	4,675,634											XXX
12. Prescription drugs .....	55,120,278	41,086,586	14,033,692											XXX
13. Aggregate write-ins for other hospital and medical incentive pool, withhold adjustments and bonus amounts .....	3,138,968	1,993,920	1,145,048	0	0	0	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14) .....	215,862,446	157,948,393	57,914,053	0	0	0	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries .....	169,141,784	111,227,731	57,914,053											XXX
17. Total medical and hospital (Lines 15 minus 16) .....	46,720,662	46,720,662	0	0	0	0	0	0	0	0	0	0	0	XXX
18. Non-health claims (net) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 1,122,951 cost containment expenses .....	1,314,620	1,314,609												11
20. General administrative expenses .....	5,764,218	5,562,677												201,541
21. Increase in reserves for accident and health contracts .....	(600,000)	(600,000)												XXX
22. Increase in reserves for life contracts .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22) .....	53,199,500	52,997,948	0	0	0	0	0	0	0	0	0	0	0	201,552
24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....	2,173,724	2,375,276	0	0	0	0	0	0	0	0	0	0	(201,552)	0
<b>DETAILS OF WRITE-INS</b>														
0501. ....														XXX
0502. ....														XXX
0503. ....														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0601. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0602. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0603. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301. ....														XXX
1302. ....														XXX
1303. ....														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above) .....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 - PREMIUMS**

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual .....	178,020,809		124,416,706	53,604,103
2. Comprehensive (hospital and medical) group .....	66,167,322		66,402,810	(235,488)
3. Medicare supplement .....				0
4. Vision only .....				0
5. Dental only .....				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
10. Disability income .....				0
11. Long-term care .....				0
12. Other health .....				0
13. Health subtotal (Lines 1 through 12) .....	244,188,131	0	190,819,516	53,368,615
14. Life .....	0			0
15. Property/casualty .....	0			0
16. Totals (Lines 13 to 15)	244,188,131	0	190,819,516	53,368,615

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	223,172,527	166,373,088	56,799,439											
1.2 Reinsurance assumed	0													
1.3 Reinsurance ceded	172,082,212	112,729,006	59,353,206											
1.4 Net	51,090,315	53,644,082	(2,553,767)	0	0	0	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	2,698,788	1,598,453	1,100,335											
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	31,793,880	25,769,652	6,024,228	0	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	20,946,319	15,985,319	4,961,000	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	10,847,561	9,784,333	1,063,228	0	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	0													
4.2 Reinsurance assumed	0													
4.3 Reinsurance ceded	0													
4.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	1,234,178	849,860	384,318											
6. Net health care receivables (a)	1,221,911	3,016,462	(1,794,551)											
7. Amounts recoverable from reinsurers December 31, current year	15,647,598	9,834,655	5,812,943											
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	41,021,020	33,171,807	7,849,213	0	0	0	0	0	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	27,615,395	21,030,879	6,584,516	0	0	0	0	0	0	0	0	0	0	0
8.4 Net	13,405,625	12,140,928	1,264,697	0	0	0	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	0													
9.2 Reinsurance assumed	0													
9.3 Reinsurance ceded	0													
9.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	793,995	454,390	339,605											
11. Amounts recoverable from reinsurers December 31, prior year	11,918,952	6,290,371	5,628,581											
12. Incurred Benefits:														
12.1 Direct	212,723,476	155,954,471	56,769,005	0	0	0	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	169,141,782	111,227,730	57,914,052	0	0	0	0	0	0	0	0	0	0	0
12.4 Net	43,581,694	44,726,741	(1,145,047)	0	0	0	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	3,138,971	1,993,923	1,145,048	0	0	0	0	0	0	0	0	0	0	0

(a) Excludes \$ 0 loans or advances to providers not yet expensed.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct .....	6,119,441	4,626,915	1,492,526											
1.2 Reinsurance assumed .....	0													
1.3 Reinsurance ceded .....	437,526	8,228	429,298											
1.4 Net .....	5,681,915	4,618,687	1,063,228	0	0	0	0	0	0	0	0	0	0	0
2. Incurred but Unreported:														
2.1 Direct .....	25,674,439	21,142,737	4,531,702											
2.2 Reinsurance assumed .....	0													
2.3 Reinsurance ceded .....	20,508,793	15,977,091	4,531,702											
2.4 Net .....	5,165,646	5,165,646	0	0	0	0	0	0	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct .....	0													
3.2 Reinsurance assumed .....	0													
3.3 Reinsurance ceded .....	0													
3.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:														
4.1 Direct .....	31,793,880	25,769,652	6,024,228	0	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded .....	20,946,319	15,985,319	4,961,000	0	0	0	0	0	0	0	0	0	0	0
4.4 Net .....	10,847,561	9,784,333	1,063,228	0	0	0	0	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE**

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual .....	7,582,379	52,569,816	(521,879)	10,306,213	7,060,500	12,140,928
2. Comprehensive (hospital and medical) group .....	1,264,697			1,063,228	1,264,697	1,264,697
3. Medicare supplement .....					0	0
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 .....					0	0
13. Health subtotal (Lines 1 to 12) .....	8,847,076	52,569,816	(521,879)	11,369,441	8,325,197	13,405,625
14. Health care receivables (a) .....		15,277,136			0	0
15. Other non-health .....					0	0
16. Medical incentive pools and bonus amounts .....	749,174	1,949,613	3,357	1,230,820	752,531	793,995
17. Totals (Lines 13 - 14 + 15 + 16)	9,596,250	39,242,293	(518,522)	12,600,261	9,077,728	14,199,620

(a) Excludes \$ 0 loans or advances to providers not yet expensed.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

**Section A - Paid Health Claims - Comprehensive (Hospital & Medical)**

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2021	2 2022	3 2023	4 2024	5 2025
1.	Prior .....	139,305	139,361	139,361	139,361	139,361
2.	2021 .....	141,214	162,856	162,861	162,861	162,861
3.	2022 .....	XXX	125,417	139,260	139,265	139,265
4.	2023 .....	XXX	XXX	16,952	18,358	18,582
5.	2024 .....	XXX	XXX	XXX	51,012	59,636
6.	2025 .....	XXX	XXX	XXX	XXX	52,570

**Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)**

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2021	2 2022	3 2023	4 2024	5 2025
1.	Prior .....	139,430	139,361	139,361	139,361	139,361
2.	2021 .....	164,459	161,548	162,821	162,821	162,821
3.	2022 .....	XXX	150,645	158,365	139,265	139,265
4.	2023 .....	XXX	XXX	29,449	14,525	18,582
5.	2024 .....	XXX	XXX	XXX	61,142	56,062
6.	2025 .....	XXX	XXX	XXX	XXX	63,939

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021 .....	182,115	162,821	5,835	3.6	168,656	92.6			168,656	92.6
2. 2022 .....	175,623	139,265	7,373	5.3	146,638	83.5			146,638	83.5
3. 2023 .....	146,139	18,582	883	4.8	19,465	13.3			19,465	13.3
4. 2024 .....	140,427	59,636	542	0.9	60,178	42.9	(519)	(19)	59,640	42.5
5. 2025 .....	178,830	52,570	192	0.4	52,762	29.5	12,600	470	65,832	36.8

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ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior .....	23,782	23,782	23,782	23,782	23,782
2. 2021 .....	23,142	26,085	26,085	26,085	26,085
3. 2022 .....	XXX	11,376	11,376	11,376	11,376
4. 2023 .....	XXX	XXX	0	0	0
5. 2024 .....	XXX	XXX	XXX	0	0
6. 2025 .....	XXX	XXX	XXX	XXX	0

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior .....	24,006	23,782	23,782	23,782	23,782
2. 2021 .....	26,253	26,612	26,085	26,085	26,085
3. 2022 .....	XXX	14,685	14,685	11,376	11,376
4. 2023 .....	XXX	XXX	0	0	0
5. 2024 .....	XXX	XXX	XXX	0	0
6. 2025 .....	XXX	XXX	XXX	XXX	0

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021 .....	20,890	26,085	3,028	11.6	29,113	139.4	0	0	29,113	139.4
2. 2022 .....	15,261	11,376	1,485	13.1	12,861	84.3	0	0	12,861	84.3
3. 2023 .....	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2024 .....	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2025 .....	0	0	0	0.0	0	0.0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior .....	163,087	163,143	163,143	163,143	163,143
2. 2021 .....	164,356	188,941	188,946	188,946	188,946
3. 2022 .....	XXX	136,793	150,636	150,641	150,641
4. 2023 .....	XXX	XXX	16,952	18,358	18,582
5. 2024 .....	XXX	XXX	XXX	51,012	59,636
6. 2025 .....	XXX	XXX	XXX	XXX	52,570

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior .....	163,436	163,143	163,143	163,143	163,143
2. 2021 .....	190,712	188,160	188,906	188,906	188,906
3. 2022 .....	XXX	165,330	173,050	150,641	150,641
4. 2023 .....	XXX	XXX	29,449	14,525	18,582
5. 2024 .....	XXX	XXX	XXX	61,142	56,062
6. 2025 .....	XXX	XXX	XXX	XXX	63,939

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021 .....	203,005	188,906	8,863	4.7	197,769	97.4	0	0	197,769	97.4
2. 2022 .....	190,884	150,641	8,858	5.9	159,499	83.6	0	0	159,499	83.6
3. 2023 .....	146,139	18,582	883	4.8	19,465	13.3	0	0	19,465	13.3
4. 2024 .....	140,427	59,636	542	0.9	60,178	42.9	(519)	(19)	59,640	42.5
5. 2025 .....	178,830	52,570	192	0.4	52,762	29.5	12,600	470	65,832	36.8

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ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves .....	0												
2. Additional policy reserves (a) .....	0												
3. Reserve for future contingent benefits .....	0												
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) ..	16,641,343	16,488,989	152,354										
5. Aggregate write-ins for other policy reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Totals (gross) .....	16,641,343	16,488,989	152,354	0	0	0	0	0	0	0	0	0	0
7. Reinsurance ceded .....	0												
8. Totals (Net)(Page 3, Line 4) .....	16,641,343	16,488,989	152,354	0	0	0	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims .....	0												
10. Reserve for future contingent benefits .....	0												
11. Aggregate write-ins for other claim reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross) .....	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded .....	0												
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. ....													
0502. ....													
0503. ....													
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0
1101. ....													
1102. ....													
1103. ....													
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ ..... for occupancy of own building) .....	127,316	41,164	508,044		676,524
2. Salary, wages and other benefits .....	17,075,699	3,841,233	34,042,311		54,959,243
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....	0	0	1,962,040		1,962,040
4. Legal fees and expenses .....	372	87	503,958		504,417
5. Certifications and accreditation fees .....	0	0	0		0
6. Auditing, actuarial and other consulting services ...	212,031	0	2,272,372		2,484,403
7. Traveling expenses .....	49,475	3,689	306,405		359,569
8. Marketing and advertising .....	5,468	0	906,211		911,679
9. Postage, express and telephone .....	106,149	488,730	1,544,156		2,139,035
10. Printing and office supplies .....	58,105	228,934	412,244		699,283
11. Occupancy, depreciation and amortization .....	377,687	124,284	719,719		1,221,690
12. Equipment .....	50,773	16,567	114,977		182,317
13. Cost or depreciation of EDP equipment and software .....	2,260,585	341,694	9,412,853		12,015,132
14. Outsourced services including EDP, claims, and other services .....	1,207,467	1,305,001	9,592,118	77,838	12,182,424
15. Boards, bureaus and association fees .....	34,953	138	644,755		679,846
16. Insurance, except on real estate .....	270,403	33,759	659,317		963,479
17. Collection and bank service charges .....	0	0	268,280		268,280
18. Group service and administration fees .....	0	787,003	3,132		790,135
19. Reimbursements by uninsured plans .....	0	0	0		0
20. Reimbursements from fiscal intermediaries .....	0	222,244	0		222,244
21. Real estate expenses .....	220,772	73,191	549,053		843,016
22. Real estate taxes .....	22,489	7,402	45,803		75,694
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....	2,512	1,137,382	579,529		1,719,423
23.2 State premium taxes .....	0	0	5,536,347		5,536,347
23.3 Regulatory authority licenses and fees .....	189	0	167,109		167,298
23.4 Payroll taxes .....	824,643	192,743	1,604,546		2,621,932
23.5 Other (excluding federal income and real estate taxes) .....	3,264	1,895	42,763		47,922
24. Investment expenses not included elsewhere .....					0
25. Aggregate write-ins for expenses .....	(21,787,400)	(8,655,471)	(66,633,822)	0	(97,076,693)
26. Total expenses incurred (Lines 1 to 25) .....	1,122,952	191,669	5,764,220	77,838	(a) 7,156,679
27. Less expenses unpaid December 31, current year .....		450,800	2,763,310		3,214,110
28. Add expenses unpaid December 31, prior year .....		537,877	2,599,664		3,137,540
29. Amounts receivable relating to uninsured plans, prior year .....			215,855		215,855
30. Amounts receivable relating to uninsured plans, current year .....			397,297		397,297
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	1,122,952	278,745	5,782,016	77,838	7,261,551
<b>DETAILS OF WRITE-INS</b>					
2501. Ceded Administrative Expenses .....	(21,790,513)	(8,568,968)	(67,619,714)		(97,979,195)
2502. Unpaid Claims Processing Expense (UPCP) .....		(171,019)			(171,019)
2503. Ceded UPCP .....		83,942			83,942
2598. Summary of remaining write-ins for Line 25 from overflow page .....	3,113	573	985,892	0	989,579
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	(21,787,400)	(8,655,471)	(66,633,822)	0	(97,076,693)

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 230,225	235,165
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 1,349,448	1,260,441
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	65,410	65,410
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract Loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 511,096	511,512
7. Derivative instruments	(f) 0	0
8. Other invested assets	227,184	227,184
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	2,383,364	2,299,713
11. Investment expenses		(g) 77,838
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h) 0
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		77,838
17. Net investment income (Line 10 minus Line 16)		2,221,875
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 74,043 accrual of discount less \$ 26,453 amortization of premium and less \$ 13,747 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 51,608 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(188,417)	0	(188,417)	0	0
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(181,840)	0	(181,840)	4,584	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	1,241,990	0	1,241,990	(486,492)	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	159	0	159	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	(1,339)	0	(1,339)	660,604	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	3,731	0
10. Total capital gains (losses)	870,552	0	870,552	182,427	0
<b>DETAILS OF WRITE-INS</b>					
0901. SSP & Other			0	3,731	
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	3,731	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			0
2.2 Common stocks .....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale .....			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....			0
6. Contract loans .....			0
7. Derivatives (Schedule DB) .....			0
8. Other invested assets (Schedule BA) .....	683,233	152,057	(531,175)
9. Receivables for securities .....			0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	683,233	152,057	(531,175)
13. Title plants (for Title insurers only) .....			0
14. Investment income due and accrued .....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..			0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	51,598	69,778	18,180
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			0
16.2 Funds held by or deposited with reinsured companies .....			0
16.3 Other amounts receivable under reinsurance contracts .....			0
17. Amounts receivable relating to uninsured plans .....	109,508	86,273	(23,235)
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0
18.2 Net deferred tax asset .....			0
19. Guaranty funds receivable or on deposit .....			0
20. Electronic data processing equipment and software .....			0
21. Furniture and equipment, including health care delivery assets .....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0
23. Receivable from parent, subsidiaries and affiliates .....			0
24. Health care and other amounts receivable .....	4,691,653	4,016,406	(675,247)
25. Aggregate write-ins for other-than-invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	5,535,991	4,324,514	(1,211,477)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0
28. Total (Lines 26 and 27)	5,535,991	4,324,514	(1,211,477)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0

**EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY**

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations .....	771	728	713	696	680	8,553
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....						
4. Point of Service .....	37,991	39,360	38,931	38,000	37,133	461,258
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total	38,762	40,088	39,644	38,696	37,813	469,811
<b>DETAILS OF WRITE-INS</b>						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

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

**A. Accounting Practices**

The financial statements of HMO Partners, Inc. are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department.

The state of Arkansas requires insurance companies domiciled in the state of Arkansas to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual subject to any deviations prescribed or permitted by the Arkansas Insurance Department. The Company does not have any permitted practices.

Reconciliation of net income and policyholders' surplus between the amounts reported in the accompanying financial statements and NAIC SAP follow:

	SSAP #	F/S Page	F/S Line #	2025	2024
<b>NET INCOME</b>					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 4,933,187	\$ 5,912,979
(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	\$ 4,933,187	\$ 5,912,979
<b>SURPLUS</b>					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 44,058,022	\$ 40,579,716
(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	\$ 44,058,022	\$ 40,579,716

**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.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

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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, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method**  
Bonds not backed by other loans are stated at amortized cost using the effective interest method.
- (3) **Basis for Common Stocks**  
Common Stock is stated at market. The Company does not have investments in stocks of uncombined subsidiaries or affiliates.
- (4) **Basis for Preferred Stocks**  
The Company does not have preferred stock.
- (5) **Basis for Mortgage Loans**  
The Company is not directly invested in mortgage loans. The Company does own mortgage-backed securities.
- (6) **Basis for Asset-Backed Securities and Adjustment Methodology**  
Asset-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The prospective adjustment method is used to value all securities.
- (7) **Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities**  
The Company does not have any investments in subsidiaries, controlled or affiliated entities.
- (8) **Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities**  
The Company does not have any investments in joint ventures, partnerships or limited liability entities.
- (9) **Accounting Policies for Derivatives**  
The Company does not have any derivatives.
- (10) **Anticipated Investment Income Used in Premium Deficiency Calculation**  
The Company includes anticipated 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 five 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 incurred 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**  
The Company has not modified its capitalization policy from the prior period.
- (13) **Method Used to Estimate Pharmaceutical Rebate Receivables**  
Pharmacy rebate receivables are estimated based upon the following methods: prior quarter's invoiced amounts, estimates provided by the Pharmacy Benefit Manager, or estimates using a percentage of year-to-date estimates from the Pharmacy Benefit Manager to year-to-date allowed claims.

D. Going Concern

Management has evaluated the Company's ability to continue as a going concern as of December 31, 2025. 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**

Not Applicable - There were no accounting changes or corrections of errors during the reporting periods.

**NOTE 3 Business Combinations and Goodwill**

Not Applicable -The Company has not entered into any business combination transactions and does not have a goodwill asset as a result of business combinations or assumption reinsurance transactions.

**NOTE 4 Discontinued Operations**

Not Applicable -The Company does not have a discontinued operation that has been disposed of or that is classified as held for sale under SSAP No. 24 - Discontinued Operations and Unusual or Infrequent Items.



ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing  
 Not Applicable -The Company did not have reverse repurchase agreements during the reporting periods.
- H. Repurchase Agreements Transactions Accounted for as a Sale  
 Not Applicable -The Company did not have repurchase agreements during the reporting periods.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale  
 Not Applicable -The Company did not have repurchase agreements or reverse repurchase agreements during the reporting periods.
- J. Real Estate  
 Not Applicable -The Company has no investment in real estate at this time. No change from prior year-end 2024.
- K. Investments in Tax Credit Structures (tax credit investments)  
 Not Applicable -The Company did not have investments in low-income housing tax credits (LIHTC) during the reporting periods.
- 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	\$ 397,730	\$ 388,543	\$ 9,187		\$ 397,730	0.338%	0.354%
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%
o. Collateral assets received and on balance sheet			\$ -		\$ -	0.000%	0.000%
p. Assets held under modco reinsurance agreements			\$ -		\$ -	0.000%	0.000%
q. Assets held under funds withheld reinsurance agreements			\$ -		\$ -	0.000%	0.000%
r. Total restricted assets (Sum of a through q)	\$ 397,730	\$ 388,543	\$ 9,187	\$ -	\$ 397,730	0.338%	0.354%

**NOTES TO FINANCIAL STATEMENTS**

Restricted Asset Category	8 Amount Reported in General Interrogatories	9 Difference from Note and GI	10 GI Ref
a. Subject to contractual obligation for which liability is not shown	XXX	XXX	XXX
b. Collateral held under security lending agreements	\$ -	\$ -	25.04 + 25.05
c. Subject to repurchase agreements	\$ -	\$ -	26.21
d. Subject to reverse repurchase agreements	\$ -	\$ -	26.22
e. Subject to dollar repurchase agreements	\$ -	\$ -	26.23
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	26.24
g. Placed under option contracts	\$ -	\$ -	26.25
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	26.26
i. FHLB capital stock	\$ -	\$ -	26.27
j. On deposit with states	\$ 397,730	\$ 0	26.28
k. On deposit with other regulatory bodies	\$ -	\$ -	26.29
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	26.31
m. Pledged as collateral not captured in other categories	\$ -	\$ -	26.30
n. Other restricted assets	\$ -	\$ -	26.32
o. Collateral assets received and on balance sheet	XXX	XXX	XXX
p. Assets held under modco reinsurance agreements	XXX	XXX	XXX
q. Assets held under funds withheld reinsurance agreements	XXX	XXX	XXX
r. Total restricted assets (Sum of a through q)	XXX	XXX	XXX

(a) Column 1 divided by Asset Page, Column 1, Line 28  
 (b) Column 5 divided by Asset Page, Column 3, Line 28

GI Reference	Difference between Note and GI (Per Column 8 above)	Explanation
25.04 + 25.05	\$ -	
26.21	\$ -	
26.22	\$ -	
26.23	\$ -	
26.24	\$ -	
26.25	\$ -	
26.26	\$ -	
26.27	\$ -	
26.28	\$ 0.42	
26.29	\$ -	
26.31	\$ -	
26.30	\$ -	
26.32	\$ -	

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding Modco/FWH) 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%
Amount of Total pledged under derivative contracts			\$ -	\$ -	XXX	XXX
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)			\$ -	\$ -	XXX	XXX

(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.

3. Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance (exclude Modco/FWH) 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)	\$ -	\$ -	\$ -	\$ -	XXX	XXX

(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.

**NOTES TO FINANCIAL STATEMENTS**

4. Collateral Received and Assets Held under Modco/Funds Withheld (FWH) Reinsurance Agreements Reflected as Assets Within the Reporting Entity's Financial Statements

Assets	1 (BACV) Collateral ***	2 (BACV) Modco ****	3 (BACV) FWH *****	4 Fair Value Collateral	5 Fair Value Modco	6 Fair Value FWH	7 % of BACV to Total Assets (Admitted and Nonadmitted)*	8 % of BACV to Total Admitted Assets **
a. Cash, Cash Equivalents and Short-Term Investments							0.000%	0.000%
b. Schedule D, Part 1, Section 1							0.000%	0.000%
c. Schedule D, Part 1, Section 2							0.000%	0.000%
d. Schedule D, Part 2, Section 1							0.000%	0.000%
e. Schedule D, Part 2, Section 2							0.000%	0.000%
f. Schedule B							0.000%	0.000%
g. Schedule A							0.000%	0.000%
h. Schedule BA, Part 1							0.000%	0.000%
i. Schedule DL, Part 1							0.000%	0.000%
j. Other							0.000%	0.000%
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
l. Percentage to Total FWH Assets (including Modco)	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

\* Sum of Columns 1, 2, and 3 divided by Asset Page, Line 26 (Column 1)

\*\* Sum of Columns 1, 2, and 3 divided by Asset Page, Line 26 (Column 3)

\*\*\* k (Collateral BACV) should equal Note 5L(1) Column 1, Line o

\*\*\*\* k (Modco BACV) should equal Note 5L(1) Column 1, Line p

\*\*\*\*\* k (FWH BACV) should equal Note 5L(1) Column 1, Line q

Assets	9 Book/Adjusted Carrying Value (BACV)	10	11	12	13	14	15
		Related Party Code					
	FWH Including Modco	1	2	3	4	5	6
a. Cash, Cash Equivalents and Short-Term Investments	\$ -						
b. Schedule D, Part 1, Section 1	\$ -						
c. Schedule D, Part 1, Section 2	\$ -						
d. Schedule D, Part 2, Section 1	\$ -						
e. Schedule D, Part 2, Section 2	\$ -						
f. Schedule B	\$ -						
g. Schedule A	\$ -						
h. Schedule BA, Part 1	\$ -						
i. Schedule DL, Part 1	\$ -						
j. Other	\$ -						
k. Total Assets (a+b+c+d+e+f+g+h+i+j)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
l. Percentage to Total FWH Assets (including Modco)	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

	1 Amount	2 % of Liability to Total Liabilities #
m. Recognized Obligation to Return Collateral Asset		0.000%
n. Recognized Obligation for Modco assets		0.000%
o. Recognized Obligation for FWH (excluding Modco) assets		0.000%
# m + n + o = Column 1 divided by Liability Page, Line 24 (Column 3)		

5. Disclose whether any of the assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer). For example, if the insurance reporting entity has used these assets as the collateral in a securities lending agreement, a repo transaction, pledged as collateral to the FHLB, etc. (For Modco/FWH assets, items pledged on behalf of the reinsurer shall not be captured.)

	Collateral Held	Modco	FWH
a. Securities Lending			
b. Repo / repurchase Agreements			
c. Placed under option contracts			
d. On deposit with states			
e. On deposit with other regulatory bodies			
f. Pledged as collateral to FHLB (including assets backing funding agreements)			
g. Pledged as collateral not captured in other categories			
h. Total (a+b+c+d+e+f+g)	\$ -	\$ -	\$ -

M. Working Capital Finance Investments  
Not Applicable -The Company did not have Working Capital Finance Investments (WCFI) during the reporting periods.

N. Offsetting and Netting of Assets and Liabilities  
Not Applicable -The Company did not have assets or liabilities with a valid right to offset subject to SSAP No. 64 during the reporting periods.

O. 5GI Securities  
Not Applicable -The Company did not hold any 5GI securities during the reporting periods.

**NOTES TO FINANCIAL STATEMENTS**

P. Short Sales  
Not Applicable -The Company did not have any short sales during the reporting periods.

Q. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>
1. Number of CUSIPs	0
2. Aggregate Amount of Investment Income	\$ -

R. Reporting Entity's Share of Cash Pool by Asset Type  
Not Applicable -The Company did not participate in a cash pool during the reporting periods.

S. Aggregate Collateral Loans by Qualifying Investment Collateral  
Not Applicable

**NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies**

A. Investments in Joint Ventures, Partnerships and Limited Liability Companies that Exceed 10% of the Admitted Assets of the Reporting Entity  
Not Applicable - The Company did not have investments in joint ventures, partnerships, or limited liability companies that exceed 10% of its admitted assets during the reporting periods.

B. Impaired Investments in Joint Ventures, Partnerships and Limited Liability Companies  
Not Applicable -The Company did not recognize any impairment write down for its investments in joint ventures, partnerships, and limited liability companies during the reporting periods.

**NOTE 7 Investment Income**

A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:  
All investment income due and accrued is included in investment income.

B. The total amount excluded was -0- for the years ending 2025 and 2024.

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

	<u>Amount</u>
Interest Income Due and Accrued	
1. Gross	\$ 172,613
2. Nonadmitted	\$ -
3. Admitted	\$ 172,613

D. The aggregate deferred interest.

	<u>Amount</u>
Aggregate Deferred Interest	\$ -

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

	<u>Amount</u>
Cumulative amounts of PIK interest included in the current principal balance	\$ -

**NOTE 8 Derivative Instruments**

Not Applicable -The Company did not have any derivative instruments during the reporting periods.

A. Derivatives under SSAP No. 86—Derivatives  
Not Applicable.

B. Derivatives under SSAP No. 108—Derivative Hedging Variable Annuity Guarantees  
Not Applicable.

**NOTE 9 Income Taxes**

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

	As of End of Current Period			12/31/2024			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$ 1,741,482	\$ 129,338	\$ 1,870,820	\$ 1,845,161	\$ 412,531	\$ 2,257,692	\$ (103,679)	\$ (283,193)	\$ (386,872)
(b) Statutory Valuation Allowance Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 1,741,482	\$ 129,338	\$ 1,870,820	\$ 1,845,161	\$ 412,531	\$ 2,257,692	\$ (103,679)	\$ (283,193)	\$ (386,872)
(d) Deferred Tax Assets Nonadmitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 1,741,482	\$ 129,338	\$ 1,870,820	\$ 1,845,161	\$ 412,531	\$ 2,257,692	\$ (103,679)	\$ (283,193)	\$ (386,872)
(f) Deferred Tax Liabilities	\$ 24,988	\$ 807,175	\$ 832,163	\$ 22,962	\$ 768,031	\$ 790,993	\$ 2,026	\$ 39,144	\$ 41,170
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 1,716,494	\$ (677,837)	\$ 1,038,657	\$ 1,822,199	\$ (355,500)	\$ 1,466,699	\$ (105,705)	\$ (322,337)	\$ (428,042)

**NOTES TO FINANCIAL STATEMENTS**

2. Admission Calculation Components per SSAP No. 101—Income Taxes.

	As of End of Current Period			12/31/2024			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 1,329,646	\$ -	\$ 1,329,646	\$ 1,493,638	\$ -	\$ 1,493,638	\$ (163,992)	\$ -	\$ (163,992)
(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)	\$ 293,914	\$ -	\$ 293,914	\$ -	\$ -	\$ -	\$ 293,914	\$ -	\$ 293,914
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 293,914	\$ -	\$ 293,914	\$ -	\$ -	\$ -	\$ 293,914	\$ -	\$ 293,914
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 832,163	XXX	XXX	\$ -	XXX	XXX	\$ 832,163
(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.	\$ 117,922	\$ 129,338	\$ 247,260	\$ 351,523	\$ 412,531	\$ 764,054	\$ (233,601)	\$ (283,193)	\$ (516,794)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 1,741,482	\$ 129,338	\$ 1,870,820	\$ 1,845,161	\$ 412,531	\$ 2,257,692	\$ (103,679)	\$ (283,193)	\$ (386,872)

3. Other Admissibility Criteria

	2025	2024
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	1309.083%	1213.676%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 43,019,375	\$ 39,113,017

4. Impact of Tax Planning Strategies

	As of End of Current Period		12/31/2024		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col. 1 - 3) Ordinary	(6) (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)	\$ 1,741,482	\$ 129,338	\$ 1,845,161	\$ 412,531	\$ (103,679)	\$ (283,193)
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)	\$ 1,741,482	\$ 129,338	\$ 1,845,161	\$ 412,531	\$ (103,679)	\$ (283,193)
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 [X]

B. Deferred Tax Liabilities Not Recognized

Not Applicable - The Company does not have any deferred tax liabilities that are not recognized.

**NOTES TO FINANCIAL STATEMENTS**

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

	(1) As of End of Current Period	(2) 12/31/2024	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 325,551	\$ 871,151	\$ (545,600)
(b) Foreign	\$ -	\$ -	\$ -
(c) Subtotal (1a+1b)	\$ 325,551	\$ 871,151	\$ (545,600)
(d) Federal income tax on net capital gains	\$ 182,816	\$ 753,834	\$ (571,018)
(e) Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
(f) Other	\$ -	\$ 71,757	\$ (71,757)
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 508,367	\$ 1,696,742	\$ (1,188,375)
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 87,859	\$ 249,978	\$ (162,119)
(2) Unearned premium reserve	\$ 121,753	\$ 115,065	\$ 6,688
(3) Policyholder reserves	\$ -	\$ -	\$ -
(4) Investments	\$ -	\$ -	\$ -
(5) Deferred acquisition costs	\$ -	\$ -	\$ -
(6) Policyholder dividends accrual	\$ -	\$ -	\$ -
(7) Fixed assets	\$ -	\$ -	\$ -
(8) Compensation and benefits accrual	\$ 230,920	\$ 436,308	\$ (205,388)
(9) Pension accrual	\$ -	\$ -	\$ -
(10) Receivables - nonadmitted	\$ 1,162,558	\$ 908,148	\$ 254,410
(11) Net operating loss carry-forward	\$ -	\$ -	\$ -
(12) Tax credit carry-forward	\$ -	\$ -	\$ -
(13) Other	\$ 138,391	\$ 135,662	\$ 2,729
(99) Subtotal (sum of 2a1 through 2a13)	\$ 1,741,481	\$ 1,845,161	\$ (103,680)
(b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c) Nonadmitted	\$ -	\$ -	\$ -
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 1,741,481	\$ 1,845,161	\$ (103,680)
(e) Capital:			
(1) Investments	\$ 129,338	\$ 412,531	\$ (283,193)
(2) Net capital loss carry-forward	\$ -	\$ -	\$ -
(3) Real estate	\$ -	\$ -	\$ -
(4) Other	\$ -	\$ -	\$ -
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ 129,338	\$ 412,531	\$ (283,193)
(f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g) Nonadmitted	\$ -	\$ -	\$ -
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 129,338	\$ 412,531	\$ (283,193)
(i) Admitted deferred tax assets (2d + 2h)	\$ 1,870,819	\$ 2,257,692	\$ (386,873)
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ 24,194	\$ 22,962	\$ 1,232
(2) Fixed assets	\$ -	\$ -	\$ -
(3) Deferred and uncollected premium	\$ -	\$ -	\$ -
(4) Policyholder reserves	\$ -	\$ -	\$ -
(5) Other	\$ 793	\$ -	\$ 793
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 24,987	\$ 22,962	\$ 2,025
(b) Capital:			
(1) Investments	\$ 807,175	\$ 768,031	\$ 39,144
(2) Real estate	\$ -	\$ -	\$ -
(3) Other	\$ -	\$ -	\$ -
(99) Subtotal (3b1+3b2+3b3)	\$ 807,175	\$ 768,031	\$ 39,144
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 832,162	\$ 790,993	\$ 41,169
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 1,038,657	\$ 1,466,699	\$ (428,042)

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

	Amount 12/31/2025	Effective Tax Rate Percentage
<b>Income tax expense at Federal Statutory Rate</b>	\$ 1,142,726	21.0%
<b>Permanent Differences:</b>		
Change in Nonadmitted Assets	(254,410)	-4.68%
Tax exempt income deduction	-	0.00%
Dividends received deduction	(6,868)	-0.13%
Disallowed travel and entertainment	588	0.01%
Other permanent differences	24,746	0.45%
<b>Other:</b>		
Statutory valuation allowance adjustment	-	0.00%
Accrual adjustment - prior year	(9,148)	-0.17%
Other	38,774	0.71%
<b>Totals</b>	<b>\$ 936,408</b>	<b>31.9%</b>
Federal and Foreign Income Taxes Incurred	\$ 325,551	
Realized Capital Gain (Losses) Tax	\$ 182,816	
Change in Deferred Income Taxes	\$ 428,041	
Total Income Tax Expense (Benefit)	\$ 936,408	

**NOTES TO FINANCIAL STATEMENTS**

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

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

Description	Amount	Origination Date	Expiration Date
None	0	0	0

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2025	\$ 798,258
2024	\$ 1,329,646

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code is \$-0-.

F. Consolidated Federal Income Tax Return

Not Applicable - The Company does not file a Consolidated Federal Income Tax Return.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax (RTT)

The Company does not owe RTT.

I. Alternative Minimum Tax (AMT) Credit

1. The Company does not have any AMT credits.

	Amount
(1) Gross AMT Credit Recognized as:	
a. Current year recoverable	\$ -
b. Deferred tax asset (DTA)	\$ -
(2) Beginning Balance of AMT Credit Carryforward	\$ -
(3) Amounts Recovered	\$ -
(4) Adjustments	\$ -
(5) Ending Balance of AMT Credit Carryforward (5=2-3-4)	\$ -
(6) Reduction for Sequestration	\$ -
(7) Nonadmitted by Reporting Entity	\$ -
(8) Reporting Entity Ending Balance (8=5-6-7)	\$ -

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

A. Nature of the Relationship Involved

The Company was formed on January 1, 1994. Effective October 1, 2006, USABLE Corporation, a wholly owned subsidiary of Arkansas Blue Cross and Blue Shield (ABCBS), sold its ownership interest in HMO Partners, Inc. to ABCBS for \$27,143,396. The Company's shareholders as of December 31, 2025 and December 31, 2024 were USABLE Mutual Insurance Company d/b/a Arkansas Blue Cross and Blue Shield (50%) and Baptist Medical System HMO, Inc. (50%).

B. Transactions

The Company d/b/a Health Advantage, served as the Third Party Administrator for the ABCBS self-insured employee group during the reporting periods. All receivables and payables dealing with the employee group are classified under Uninsured Plans. On December 31, 2025, receivables due from ABCBS were \$1,050,242 and amounts due to ABCBS were \$3,265,112 under this plan. On December 31, 2024, receivables due from ABCBS were \$-0- and amounts due to ABCBS were \$3,170,294 under this plan.

During 2024, the Company paid common stock dividends to its shareholders, USABLE Mutual Insurance Company and Baptist Medical System HMO, Inc., on April 10, 2024 in the amount of \$10,000,000 and on July 10, 2024 in the amount of \$10,000,000. During 2023, the Company paid common stock dividends to its shareholders on October 10, 2023, totaling \$6,000,000 and on December 21, 2023 totaling \$8,000,000.

C. Transactions with related party who are not reported on Schedule Y

Not Applicable - The Company did not have any material transactions with related parties not on Schedule Y.

(1) Detail of Material Related Party Transactions

Ref #	Date of Transaction	Name of Related Party	Nature of Relationship	Type of Transaction	Written Agreement (Yes/No)	Due Date	Reporting Period Date Amount Due From (To)

Options for Type of Transaction:

- Loan
- Exchange of Assets or Liabilities (e.g., buys, sells and secured borrowing transactions)
- Management Services
- Cost-Sharing Agreement
- Other Transactions Involving Services
- Guarantee (e.g., guarantees to related parties, on behalf of, and when beneficiary is related party)
- Other

(2) Detail of Material Related Party Transactions Involving Services

Ref #	Name of Related Party	Overview Description	Amount Charged	Amount Based on Allocation of Costs or Market Rates	Amount Charged Modified or Waived (Yes/No)
<b>Total</b>			\$ -	\$ -	

**NOTES TO FINANCIAL STATEMENTS**

(3) Detail of Material Related Party Transactions Involving Exchange of Assets and Liabilities

a. Description of Transaction

Ref #	Name of Related Party	Overview Description	Have Terms Changed from Preceding Period? (Yes/No)

b. Assets Received

Ref #	Name of Related Party	Description of Assets Received	Statement Value of Assets Received
Total			\$ -

c. Assets Transferred

Ref #	Name of Related Party	Description of Assets Transferred	Statement Value of Assets Transferred
Total			\$ -

(4) Detail of Amounts Owed To/From a Related Party

Ref #	Name of Related Party	Aggregate Reporting Period Amount Due From	Aggregate Reporting Period (Amount Due To)	Amount Offset in Financial Statement (if qualifying)	Net Amount Recoverable/ (Payable) by Related Party	Admitted Recoverable
Total	XXX	\$ -	\$ -	\$ -	\$ -	\$ -

D. Amounts Due From or To Related Parties

At December 31, the Company reported the following admitted amounts due from Affiliates:

	2025	2024
USABLE Mutual Insurance Company	\$ 19,049	\$ 128,796
	\$ 19,049	\$ 128,796

At December 31, the Company reported the following amounts due to Affiliates:

	2025	2024
USABLE Mutual Insurance Company	\$ 12,127,435	\$ 7,548,666
USABLE HMO, Inc	19,397	
	\$ 12,146,832	\$ 7,548,666

E. Material Management or Service Contracts and Cost-Sharing Arrangements

The Company is a party to administrative services and cost sharing agreements with ABCBS pursuant to which the Company reimburses ABCBS for various services and/or benefits provided by ABCBS, including but not limited to, administrative, employee benefit, marketing, accounting and other financial services, and other services and/or benefits. ABCBS administers and maintains the vendor payment system and costs from this system, including costs that have multicompany benefit, are allocated to the Company, ABCBS and other ABCBS affiliates based upon cost centers. The allocation formulas are based on several metrics, which include headcount, percentage of personnel time, square footage, membership of certain lines of business, premiums received for certain lines of business and system volume.

F. Guarantees or Undertakings

Not Applicable - The Company has not provided nor is the Company a beneficiary of a guarantee or undertaking for the reporting periods.

However, as an affiliate of ABCBS, the Company's contractual and financial obligations to its customers are guaranteed by ABCBS to the full extent of the assets of ABCBS. If a risk-assuming affiliate ceases operations for any reason, Blue Cross and Blue Shield plan coverage will be offered to all affiliate subscribers without exclusions, limitations or conditions based on health status.

G. Nature of Relationship that could Affect Operations

The Company is part of a holding company system that includes other insurance and non-insurance entities under common control of USABLE Mutual Insurance Company. As a result of this common control, the Company's financial position and results of operations could differ from those that would have been obtained if the Company were an autonomous entity.

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

Not Applicable - The Company had no amount deducted.

I. Investments in SCA that Exceed 10% of Admitted Assets

Not Applicable - The Company does not have any SCA investments.

J. Investments in Impaired SCAs

Not Applicable - The Company does not have any SCA investments.

K. Investment in Foreign Insurance Subsidiary

Not Applicable - The Company had no investment in foreign insurance subsidiaries.

L. Investment in Downstream Noninsurance Holding Company

Not Applicable - The Company had no investments in downstream noninsurance holding companies.

M. All SCA Investments

Not Applicable - The Company does not have investments in subsidiaries, controlled or affiliated entities.

## NOTES TO FINANCIAL STATEMENTS

N. Investment in Insurance SCAs  
Not Applicable - The Company does not have any SCA investments.

O. SCA or SSAP 48 Entity Loss Tracking  
Not Applicable

### NOTE 11 Debt

A. Debt Including Capital Notes

For the years ended December 31, 2025 and December 31, 2024, the Company did not have capital notes, and the Company's liability for borrowed money was zero.

B. FHLB (Federal Home Loan Bank) Agreements

Not Applicable - The Company did not have FHLB agreements during the reporting periods.

C. Unused commitments and lines of credit for financing arrangements:

	Current Year		Prior Year	
	Unused Commitments	Unused Lines Of Credit	Unused Commitments	Unused Lines Of Credit
1. Short-Term (contracts terminating in 12 months or less)				
2. Long-Term (contracts terminating in more than 12 months)				
3. Total	\$ -	\$ -	\$ -	\$ -

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

A. Defined Benefit Plan

Not Applicable - The Company does not have a defined benefit plan.

B. Investment Policies and Strategies

Not Applicable - The Company does not have a defined benefit plan.

C. The fair value of each class of plan assets

Not Applicable - The Company does not have a defined benefit plan.

D. Basis Used to Determine Expected Long-Term Rate-of-Return

Not Applicable - The Company does not have a defined benefit plan.

E. Defined Contribution Plan

The Company offers an optional 401(k) plan to all eligible employees. The employee has the option of deferring up to 50% of his or her salary. The Company matches the amount deferred by the employee based upon years of service from a minimum of 50% to a maximum of 100% of a 6% contribution.

Effective July 1, 1998, the plan was amended to establish a non-contributory, defined contribution portion of the plan known as 401(k) Plu\$. Employees are not required to participate in the original defined contribution plan in order to receive benefits under the 401(k) Plu\$ portion of the plan. At the end of each calendar year, employees will receive an annual 401(k) Plu\$ contribution equal to a minimum of 2% of the employee's annual earnings. The determination of the percentage to be used in calculating the contribution is based upon annually established net income targets. For 2025 4% was used to calculate the Company's contribution of \$409,374 and 2% was used to calculate the Company's contribution of \$219,057 in 2024.

All funds under the 401(k) Plu\$ portions of the plan are held by an outside trustee.

F. Multiemployer Plans

Not Applicable - The Company does not participate in multi-employer plans.

G. Consolidated/Holding Company Plans

Not Applicable - The Company has no consolidated/holding company plans.

H. Postemployment Benefits and Compensated Absences

Not Applicable - The Company does not offer a postretirement benefit plan.

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

Not Applicable.

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

A. Number of Share and Par or State Value of Each Class

For the years ended December 31, 2025 and 2025, the Company had 1,000,000 common stock shares authorized, issued, and outstanding at \$0.01 par value.

B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

Not Applicable - The Company does not have preferred stock outstanding.

C. Dividend Restrictions, if any, and an Indication if the Dividends are Cumulative

Dividends are paid based on earned surplus and cannot fall below state net worth requirements.

D. Dates and Amounts of Dividends Paid

No dividends were paid by the Company in 2025. Extraordinary dividends were paid by the Company on April 10, 2024 in the amount of \$10,000,000 and on July 10, 2024 in the amount of \$10,000,000. During 2023, an ordinary dividend in the amount of \$6,000,000 was paid by the Company on October 10, 2023, and an extraordinary dividend in the amount of \$8,000,000 was paid by the Company on December 21, 2023.

E. Profits that may be Paid as Ordinary Dividends to Stockholders

All unassigned surplus is held for stockholders.

F. Restrictions Placed on Unassigned Funds (Surplus)

Not Applicable - As of December 31, 2025 and 2024, the Company did not have restrictions placed upon unassigned funds.

G. Amount of Advances to Surplus not Repaid

Not Applicable - The Company did not have advances to surplus during the reporting periods.

H. Amount of Stock Held for Special Purposes

Not Applicable - As of December 31, 2025 and 2024, the Company held no stock for special purposes such as employee stock options, stock purchase warrants, or conversion of preferred stock.

I. Reasons for Changes in Balance of Special Surplus Funds from Prior Period

The Company did not have special surplus funds as of December 31, 2024 or December 31, 2023.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$ (263,177)

K. The Company issued the following surplus debentures or similar obligations:  
 Not Applicable - The Company has not issued surplus notes, debentures, or similar or similar obligations.

L. The impact of any restatement due to prior quasi-reorganizations is as follows:  
 Not Applicable - The Company was not involved in a quasi-reorganization.

M. Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization  
 Not Applicable - The Company was not involved in a quasi-reorganization.

**NOTE 14 Liabilities, Contingencies and Assessments**

A. Contingent Commitments  
 Not Applicable - The Company did not have any contingent commitments as of December 31, 2025 or December 31, 2024.

B. Assessments  
 Not Applicable - The Company did not have any assessments as of the reporting periods.

(1) Assessments Where Amount is Known or Unknown  
 None

(2) a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end \$ -

b. Decreases current year:

c. Increases current year:

d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end \$ -

(3) Guaranty Fund Liabilities and Assets Related to Assessments from Insolvencies for Long-Term Care Contracts

a. Discount Rate Applied

b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted

c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years

C. Gain Contingencies  
 None

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

Direct

(1) The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits

(2) Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period

(3) Indicate whether claim count information is disclosed per claim or per claimant

E. Joint and Several Liabilities  
 Not Applicable

F. All Other Contingencies  
 Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

**NOTE 15 Leases**

A. Lessee Operating Lease:

The Company is a party to an agreement with ABCBS pursuant to which the Company reimburses ABCBS for various administrative, employee benefit, and other costs that have multicompany benefit that includes an allocation for office space and use of equipment. See discussion in Note 10.

B. Lessor Leases  
 Not Applicable - The Company does not lease any property or equipment.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 16 Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**

Not Applicable - The Company did not have any financial instruments with off-balance sheet risk or financial instruments with concentration of credit risk during the reporting periods.

(1) The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk.

	ASSETS		LIABILITIES	
	2025	2024	2025	2024
a. Swaps				
b. Futures				
c. Options				
d. Total (a+b+c)	\$ -	\$ -	\$ -	\$ -

(2) Nature and Terms of Off-Balance Sheet Risk

(3) Amount of Loss if any Party to the Financial Instrument Failed

(4) Collateral or Other Security Required to Support Financial Instrument

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

A. Transfers of Receivables Reported as Sales

Not Applicable - The Company did not engage in these types of transactions during the reporting periods.

B. Transfer and Servicing of Financial Assets

Not Applicable - The Company had no transfer and servicing of financial assets.

C. Wash Sales

Not Applicable - The Company did not have any wash sales.

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

A. ASO Plans:

Effective January 1, 2023, all ASO business is ceded to US Able Mutual Insurance Company.

B. ASC Plans:

Not Applicable - The Company did not have any Administrative Services Contract (ASC) uninsured plans during the reporting periods.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not Applicable - The Company did not have a Medicare or similarly structured cost based reimbursement contract during 2025 or 2024.

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

Not Applicable - The Company did not have any direct premium written/produced by managing general agents or third party administrators during 2025 or 2024.

**NOTE 20 Fair Value Measurements**

A.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash Equivalent Exempt MMMF		\$ 3,767,023			\$ 3,767,023
Issuer Credit Obligations		\$ 89,524			\$ 89,524
Common Stock Mutual Funds		\$ 5,134,390			\$ 5,134,390
Other Invested Assets				\$ 9,529,048	\$ 9,529,048
<b>Total assets at fair value/NAV</b>	<b>\$ -</b>	<b>\$ 8,990,936</b>	<b>\$ -</b>	<b>\$ 9,529,048</b>	<b>\$ 18,519,984</b>

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
b. Liabilities at fair value					
Supplemental Savings Plan	\$ 69,681				\$ 69,681
<b>Total liabilities at fair value</b>	<b>\$ 69,681</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 69,681</b>

(2) Fair Value Measurements in (Level 3) of the Fair Value hierarchy

Description	Beginning Balance at 01/01/2025	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2025
a. Assets										\$ -
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Description	Beginning Balance at 01/01/2025	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2025
b. Liabilities										
<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

(3) Policies when Transfers Between Levels are Recognized

The Company does not have any transfers between levels of fair value measurement.

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

As of December 31, 2025, the reported fair value of the reporting entity's investments in Level 2 includes both money market mutual funds and equity mutual funds with a value of \$8,901,413. Fair value measurements for these securities are provided by the fund and indicate the closing net asset value at December 31, 2025. All fair value measurements are provided in US Dollars. There have been no changes in these valuation techniques.

(5) Fair Value Disclosures

Not Applicable - The Company does not have any derivative assets or liabilities.

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements  
 Not Applicable

C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Cash Equivalent	\$ 3,767,023	\$ 3,767,023		\$ 3,767,023			
Issuer Credit Obligations	\$ 89,524	\$ 89,524		\$ 89,524			
Common Stock	\$ 5,134,390	\$ 5,134,390		\$ 5,134,390			
Other Invested Assets	\$ 9,529,048	\$ 8,845,815				\$ 9,529,048	

D. Not Practicable to Estimate Fair Value  
 Not Applicable

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation

E. NAV Practical Expedient Investments

1. Martingale Investment Trust – Series 1 Low Volatility Large Cap+

This strategy seeks to meet or exceed equity market returns while realizing significantly less volatility. This investment focuses on identifying and investing in low risk companies with sound fundamental properties. The portfolio is considered to be a low risk portfolio with broad, stable sector diversification. The fund contains 171 individual holdings as of 12/31/2025 with the top 10 of all holdings representing 16.2% of the total portfolio. Overall, the risk target of this portfolio is to perform with 70%-80% of the overall market volatility of the Russell 1000 Index.

The fund is able to be liquidated on a monthly basis. Because the underlying portfolio contains assets that are part of the Russell 1000 Index, it is very probable that the fund would not liquidate at the NAV of a prior month. It is possible the fund could be liquidated at a higher or lower price depending on overall market actions.

Barings U.S. Loan Fund Series – Tranche A

The Barings investment process is a focused and detailed fundamental bottom-up due diligence. The firm's investment philosophy is based on the belief that long-term, risk-adjusted returns can best be achieved through active portfolio management coupled with strong fundamental credit underwriting with the goal of minimizing principal losses. The firm takes a credit-intensive approach when selecting assets that seeks to determine where favorable value exists within companies on a relative basis to other investment alternatives.

The portfolio consists of 319 issues with 269 issuers at the end of the 4th quarter of 2025, with the top ten issuers making up 9.87% of the fund. The portfolio is diversified across twenty-seven sectors, with five sectors containing 54.63% of all holdings. First lien loans make up 93.79% of the fund.

The fund has daily liquidity but a 30 calendar day prior to withdraw notice is necessary. As of 12/31/2025, the fund totals a NAV just over \$1.07 Billion.

2. Not Applicable (The investments can be redeemed on a monthly basis.)

3. Not Applicable (There is no required capital commitment for the investments in Martingale or Barings)

4. Redemption of shares of either holding are processed on a monthly basis at prevailing market NAV.

5. Not Applicable

6. Not Applicable (There are no restrictions to viewing the investments of the Martingale Investment Trust – Series 1 Low Volatility Large Cap+ or the Barings U.S. Loan Fund Series – Tranche A. The holdings are provided to the Investor in each of the fund's annual reports and can be requested at any month end closing.)

7. Not Applicable (The investor has not made a decision to redeem shares of the Martingale Investment Trust – Series 1 Low Volatility Large Cap+ or the Barings U.S. Loan Fund Series – Tranche A at this time.)

**NOTE 21 Other Items**

A. Unusual or Infrequent Items

The Company did not have any unusual or infrequent items as of December 31, 2025.

B. Troubled Debt Restructuring: Debtors

The Company did not have troubled debt restructuring as of December 31, 2025.

C. Other Disclosures

The Company does not have any other disclosure items.

D. Business Interruption Insurance Recoveries

Not Applicable - The Company did not have business interruption insurance recoveries as of December 31, 2025 or December 31, 2024.

E. State and Federal Tax Credits

Not Applicable - The Company did not have state transferable tax credits during the reporting periods.

F. Subprime Mortgage Related Risk Exposure

Not Applicable - The Company did not have subprime mortgage related exposure as of December 31, 2025 or December 31, 2024.

G. Retained Assets

Not Applicable - The Company did not have retained assets during the reporting periods.

H. Insurance-Linked Securities (ILS) Contracts

Not Applicable - The Company did not have insurance-linked securities contracts during the reporting periods.

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

Not Applicable

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 22 Events Subsequent**

Type I – Recognized Subsequent Events:

Not Applicable - No material "Type I" recognized subsequent events were noted for the statutory statements issued on March 1, 2025. Subsequent events have been considered through February 27, 2026.

Type II – Nonrecognized Subsequent Events:

Not Applicable - No material "Type II" nonrecognized subsequent events were noted for the statutory statements issued on March 1, 2025. Subsequent events have been considered through February 27, 2026.

**NOTE 23 Reinsurance**

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes [ ] No [ X ]  
If yes, give full details.

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? Yes [ ] No [ X ]  
If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes [ ] No [ X ]

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$ -0-

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$ -0-

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes [ ] No [ X ] If yes, give full details:

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$-0-

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes [ ] No [ X ]  
If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ 0

B. Uncollectible Reinsurance

Not Applicable - The Company did not have any uncollectible reinsurance written off during the year.

C. Commutation of Reinsurance Reflected in Income and Expenses.

Not Applicable - The Company did not commute any ceded reinsurance during the reporting periods.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable - The Company did not utilize a certified reinsurer during the reporting periods.

E. Reinsurance Credit

Not Applicable - The Company has no reinsurance credits.

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

A. Method Used to Estimate Accrued Retrospective Premium Adjustments

The Company estimates accrued retrospective premium adjustments for its health insurance business through a mathematical approach using an algorithm of the company's underwriting rules and experience rating practices.

B. Retrospective Premiums Recorded Through Written Premium or as an Adjustment to Earned Premium

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

C. Amount and Percentage of Net Premiums Written Subject to Retrospective Rating Features

The amount of net premiums written by the Company at December 31, 2025 that are subject to retrospective rating features was \$245,127,865 that represented 100% of the total net premium written. No other net premiums written by the Company are subject to retrospective rating features.

**NOTES TO FINANCIAL STATEMENTS**

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
<b>Prior Reporting Year</b>					
(1) Medical loss ratio rebates incurred	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medical loss ratio rebates paid	\$ -	\$ -	\$ -	\$ -	\$ -
(3) Medical loss ratio rebates unpaid	\$ -	\$ -	\$ -	\$ -	\$ -
(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	\$ -
<b>Current Reporting Year-to-Date</b>					
(7) Medical loss ratio rebates incurred	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Medical loss ratio rebates paid					\$ -
(9) Medical loss ratio rebates unpaid					\$ -
(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

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? Yes [X] No [ ]

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year Amount

<b>a. Permanent ACA Risk Adjustment Program</b>		
<b>Assets</b>		
1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)		\$ -
<b>Liabilities</b>		
2. Risk adjustment user fees payable for ACA Risk Adjustment		\$ -
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premium)		\$ 2,506,614
<b>Operations (Revenue &amp; Expense)</b>		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment		\$ 630,074
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)		\$ 20,529

(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		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)	
					5	6	7	8			
	Receivable	Payable	Receivable	Payable	Receivable	Payable	Receivable	Payable	Ref	Receivable	Payable
<b>a. Permanent ACA Risk Adjustment Program</b>											
1. Premium adjustments receivable (including high risk pool payments)					\$ -	\$ -			A	\$ -	\$ -
2. Premium adjustments (payable) (including high risk pool premium)		\$ 4,275,735		\$ 1,139,047	\$ -	\$ 3,136,688		\$(3,136,688)	B	\$ -	\$ -
3. Subtotal ACA Permanent Risk Adjustment Program	\$ -	\$ 4,275,735	\$ -	\$ 1,139,047	\$ -	\$ 3,136,688	\$ -	\$(3,136,688)		\$ -	\$ -

Explanations of Adjustments

- A.
  - B.
- Adjustment to Payable

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

A. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2024 were \$13,405,625. As of December 31, 2025, \$8,847,076 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now (\$521,879) as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$5,080,428 favorable prior-year development since December 31, 2024 to December 31, 2025. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends and cost sharing reductions. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

12/31/2024 Reserves	\$ 13,405,625
2024 Claims paid in 2025	<u>8,847,076</u>
Adjusted Net Reserves	4,558,549
Less -	
2024 Remaining Reserves	<u>(521,879)</u>
Favorable Development	<u>\$ 5,080,428</u>

B. Information about Significant Changes in Methodologies and Assumptions  
There have been no significant changes in methodologies and assumptions.

**NOTE 26 Intercompany Pooling Arrangements**

Not Applicable - The Company did not have intercompany pooling arrangements during the reporting periods.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 27 Structured Settlements**

Not Applicable - The Company did not have structured settlements during the reporting periods.

**NOTE 28 Health Care Receivables**

A. Pharmaceutical Rebate Receivables

Date	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2025	\$ 8,600,876				
09/30/2025	\$ 8,377,692	\$ 8,190,985	\$ 7,461,546		
06/30/2025	\$ 8,213,552	\$ 8,031,125	\$ 7,396,982		
03/31/2025	\$ 7,625,933	\$ 7,324,902	\$ 7,110,643	\$ (54,913)	\$ 64,920
12/31/2024	\$ 7,757,522	\$ 7,490,763	\$ 7,476,304	\$ (130,394)	
09/30/2024	\$ 7,446,461	\$ 7,321,574	\$ 7,422,803		\$ (162,476)
06/30/2024	\$ 7,367,465	\$ 7,238,807	\$ 7,214,465	\$ 51,097	\$ (80,362)
03/31/2024	\$ 6,669,562	\$ 7,027,927	\$ 7,084,309	\$ (10,556)	\$ (32,871)
12/31/2023	\$ 6,503,686	\$ 7,046,011	\$ 6,429,120	\$ (2,846)	\$ (22,933)
09/30/2023	\$ 6,771,962	\$ 6,475,225	\$ 6,290,775	\$ 5,348	\$ (40,950)
06/30/2023	\$ 6,704,838	\$ 6,772,943	\$ 6,995,527	\$ 3,849	\$ (118,461)
03/31/2023	\$ 8,223,170	\$ 6,704,838	\$ 6,985,824	\$ (70,383)	\$ (2,050)

B. Risk-Sharing Receivables

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
2025	2025								
	2024	\$ 5,154	\$ 27,124	\$ 32,280	\$ (1)	\$ 32,280			
2024	2024		\$ 5,154		\$ 5,154				
	2023	\$ 16,886		\$ 20,334		\$ 10,299		\$ 63,707	
	2022	\$ 63,707							
2023	2023		\$ 16,886		\$ 16,886				
	2022	\$ 46,265	\$ 63,707	\$ 63,707					

C. Medicare Prescription Payment Plan Receivables

(1) Amounts included in other health care receivables which are recoverable from participants in Medicare Part D Prescription Payment Plan for the current reporting period \$ -

(2) Aging of other health care receivables which are due from participant in Medicare Part D Prescription Payment Plan.

1	2	3	4	5	6	7	8
Name of Plan	Current Period Gross*	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
Medicare Prescription Payment Plan Recoverables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

\*represents the Assets Page Column 1, included within Line 24 before nonadmission.

(3) Incurred claims expense includes write-offs of impaired Medicare Prescription Payment Plan receivables of \$ - for 2025 and \$ - for 2024.

**NOTE 29 Participating Policies**

Not Applicable - The Company did not have participating contracts during the reporting periods.

**NOTE 30 Premium Deficiency Reserves**

- Liability carried for premium deficiency reserves \$ -
- Date of the most recent evaluation of this liability 12/31/2025
- Was anticipated investment income utilized in the calculation? Yes [X] No [ ]

**NOTE 31 Anticipated Salvage and Subrogation**

The Company took into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses and reduced such liability by \$120,879 as of December 31, 2025 and \$379,229 as of December 31, 2024.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... ARKANSAS
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2020
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2020
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 07/13/2022
- 3.4 By what department or departments?  
Arkansas Insurance Department .....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 6.2 If yes, give full information  
.....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? ..... Yes [ ] No [ X ]
- 7.2 If yes,  
7.21 State the percentage of foreign control ..... %  
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**GENERAL INTERROGATORIES**

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? ..... Yes [ ] No [ X ]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? ..... Yes [ ] No [ X ] N/A [ ]
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
FORVIS MAZARS, LLP  
111 Center St., Suite 1600,  
Little Rock, Arkansas 72201 .....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:  
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain.  
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Victor P. Davis, Vice President - Actuarial Services & Chief Actuary, Arkansas Blue Cross and Blue Shield, 601 S. Gaines St., Little Rock, Arkansas 72201 .....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ ] No [ X ]
- 12.11 Name of real estate holding company ...
- 12.12 Number of parcels involved .....
- 12.13 Total book/adjusted carrying value ..... \$ .....
- 12.2 If yes, provide explanation  
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:  
.....
- 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).  
.....

**GENERAL INTERROGATORIES**

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

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

**BOARD OF DIRECTORS**

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

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$ .....0
  - 20.12 To stockholders not officers.....\$ .....0
  - 20.13 Trustees, supreme or grand (Fraternal Only) .....\$ .....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$ .....0
  - 20.22 To stockholders not officers.....\$ .....0
  - 20.23 Trustees, supreme or grand (Fraternal Only) .....\$ .....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$ .....
  - 21.22 Borrowed from others.....\$ .....
  - 21.23 Leased from others .....\$ .....
  - 21.24 Other .....\$ .....
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ X ] No [ ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ ..... 10,291,418
  - 22.22 Amount paid as expenses .....\$ .....0
  - 22.23 Other amounts paid .....\$ .....0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....\$ ..... 19,049
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? ..... Yes [ ] No [ X ]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

**INVESTMENT**

- 25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03)..... Yes [ X ] No [ ]

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**GENERAL INTERROGATORIES**

- 25.02 If no, give full and complete information, relating thereto  
 .....
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 Not Applicable - The Company does not have a securities lending program. ....
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. .... \$ .....
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. .... \$ .....
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... Yes [ ] No [ ] N/A [ X ]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ ] No [ ] N/A [ X ]
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? ..... Yes [ ] No [ ] N/A [ X ]
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ ..... 0
- 25.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ ..... 0
- 25.093 Total payable for securities lending reported on the liability page ..... \$ ..... 0

- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). .... Yes [ X ] No [ ]
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements ..... \$ ..... 0
- 26.22 Subject to reverse repurchase agreements ..... \$ ..... 0
- 26.23 Subject to dollar repurchase agreements ..... \$ ..... 0
- 26.24 Subject to reverse dollar repurchase agreements ..... \$ ..... 0
- 26.25 Placed under option agreements ..... \$ ..... 0
- 26.26 Letter stock or securities restricted as to sale -  
 excluding FHLB Capital Stock ..... \$ ..... 0
- 26.27 FHLB Capital Stock ..... \$ ..... 0
- 26.28 On deposit with states ..... \$ ..... 397,730
- 26.29 On deposit with other regulatory bodies ..... \$ ..... 0
- 26.30 Pledged as collateral - excluding collateral pledged to  
 an FHLB ..... \$ ..... 0
- 26.31 Pledged as collateral to FHLB - including assets  
 backing funding agreements ..... \$ ..... 0
- 26.32 Other ..... \$ ..... 0

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? ..... Yes [ ] No [ X ]
- 27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ ] N/A [ X ]  
 If no, attach a description with this statement.

LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? ..... Yes [ ] No [ ]
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 ..... Yes [ ] No [ ]
- 27.42 Permitted accounting practice ..... Yes [ ] No [ ]
- 27.43 Other accounting guidance ..... Yes [ ] No [ ]
- 27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: ..... Yes [ ] No [ ]
- The reporting entity has obtained explicit approval from the domiciliary state.
  - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
  - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
  - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... Yes [ ] No [ X ]
- 28.2 If yes, state the amount thereof at December 31 of the current year. .... \$ .....
29. Excluding items in Schedule E, Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? ..... Yes [ X ] No [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
US Bank Institutional Trust and Custody .....	St. Louis, MO .....

**ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc**  
**GENERAL INTERROGATORIES**

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

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

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [ ] No [ X ]  
 29.04 If yes, give full and complete information relating thereto:

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

29.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. This includes both primary and sub-advisors. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Scott B. Winter .....	I.....
Martingale Asset Management, LP .....	U.....
Barings, LLC .....	U.....
Pacific Investment Management Company, LLC .....	U.....
The Vanguard Group, Inc. ....	U.....

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [ X ] No [ ] N/A [ ]

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Registered With	4 Investment Management Agreement (IMA) Filed
108526 .....	Martingale Asset Management, LP .....	SEC .....	NO.....
106006 .....	Barings, LLC .....	SEC, CFTC, NFA .....	NO.....
104559 .....	Pacific Investment Management Company LLC .....	SEC .....	NO.....
7452 .....	The Vanguard Group, Inc. ....	SEC .....	NO.....

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

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
922908-71-0 .....	Vanguard 500 Index Fund Admiral (VFIAX) .....	5,134,390
30.2999 - Total		5,134,390

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
Vanguard 500 Index Fund Admiral (VFIAX) .....	NVIDIA Corp. ....	397,402 ..	12/31/2025 ..
Vanguard 500 Index Fund Admiral (VFIAX) .....	Apple Inc. ....	352,219 ..	12/31/2025 ..
Vanguard 500 Index Fund Admiral (VFIAX) .....	Microsoft Corp .....	315,252 ..	12/31/2025 ..
Vanguard 500 Index Fund Admiral (VFIAX) .....	Amazon.com Inc. ....	196,647 ..	12/31/2025 ..
Vanguard 500 Index Fund Admiral (VFIAX) .....	Alphabet Inc Class A .....	159,680 ..	12/31/2025 ..

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**GENERAL INTERROGATORIES**

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Issuer Credit Obligations .....	18,511,043	18,412,454	(98,589)
31.2 Asset-Backed Securities .....	17,076,874	15,722,526	(1,354,349)
31.3 Preferred stocks .....	0		0
31.4 Totals	35,587,918	34,134,980	(1,452,938)

31.5 Describe the sources or methods utilized in determining the fair values:

Fair value pricing obtained from market prices provided by Clearwater Analytics, US Bank Institutional Trust and Custody, custodian for investment assets, or where applicable, from the NAIC Valuation of Securities database, for assets not priced by US Bank or Clearwater Analytics. ....

32.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? ..... Yes [ X ] No [ ]

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? ..... Yes [ X ] No [ ]

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D: .....

33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? ..... Yes [ X ] No [ ]

33.2 If no, list exceptions: .....

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

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

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

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

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

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

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

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

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? ..... Yes [ ] No [ X ]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? ..... Yes [ ] No [ ] N/A [ X ]

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc  
**GENERAL INTERROGATORIES**

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

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

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? ..... Yes [ ] No [ X ]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?  
 39.21 Held directly ..... Yes [ ] No [ ]  
 39.22 Immediately converted to U.S. dollars ..... Yes [ ] No [ ]

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

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

**OTHER**

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... \$ ..... 510,834

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

1 Name	2 Amount Paid
BlueCross BlueShield Association .....	483,488

41.1 Amount of payments for legal expenses, if any? ..... \$ ..... 525,151

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

1 Name	2 Amount Paid
Foley & Lardner LLP .....	289,686

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? ..... \$ ..... 117,835

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

1 Name	2 Amount Paid
BlueCross BlueShield Association .....	49,643
Americas Health Insurance Plans .....	36,063

**GENERAL INTERROGATORIES**

**PART 2 - HEALTH INTERROGATORIES**

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]  
 1.2 If yes, indicate premium earned on U.S. business only. .... \$ \_\_\_\_\_  
 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ \_\_\_\_\_  
 1.31 Reason for excluding  
 .....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above ..... \$ \_\_\_\_\_  
 1.5 Indicate total incurred claims on all Medicare Supplement Insurance. .... \$ \_\_\_\_\_ 0

1.6 Individual policies: Most current three years:  
 1.61 Total premium earned ..... \$ ..... 0  
 1.62 Total incurred claims ..... \$ ..... 0  
 1.63 Number of covered lives ..... 0  
All years prior to most current three years:  
 1.64 Total premium earned ..... \$ ..... 0  
 1.65 Total incurred claims ..... \$ ..... 0  
 1.66 Number of covered lives ..... 0

1.7 Group policies: Most current three years:  
 1.71 Total premium earned ..... \$ ..... 0  
 1.72 Total incurred claims ..... \$ ..... 0  
 1.73 Number of covered lives ..... 0  
All years prior to most current three years:  
 1.74 Total premium earned ..... \$ ..... 0  
 1.75 Total incurred claims ..... \$ ..... 0  
 1.76 Number of covered lives ..... 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	55,373,224	43,677,658
2.2 Premium Denominator .....	55,373,224	43,677,658
2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000
2.4 Reserve Numerator .....	28,719,725	32,380,698
2.5 Reserve Denominator .....	28,723,082	32,380,698
2.6 Reserve Ratio (2.4/2.5) .....	1.000	1.000

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? ..... Yes [ ] No [ X ]

3.2 If yes, give particulars:  
 .....

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? ..... Yes [ X ] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? ..... Yes [ ] No [ X ]

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

5.2 If no, explain:  
 The Company's group business is 100% ceded to an affiliate and therefore does not require stop loss reinsurance. ....

5.3 Maximum retained risk (see instructions) 5.31 Comprehensive Medical ..... \$ .....  
5.32 Medical Only ..... \$ .....  
5.33 Medicare Supplement ..... \$ .....  
5.34 Dental & Vision ..... \$ .....  
5.35 Other Limited Benefit Plan ..... \$ .....  
5.36 Other ..... \$ .....

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:  
 USable Mutual Insurance Company d/b/a Arkansas Blue Cross and Blue Shield, in accordance with its license agreement with the Blue Cross and Blue Shield Association, provides a financial guarantee and a conversion service agreement with each of its affiliates that are licensed with the Association to use the Blue Cross and Blue Shield brands: HMO Partners, Inc. d/b/a Health Advantage, USable HMO, Inc. d/b/a Arkansas Blue Medicare and USable PPO Insurance Company d/b/a Arkansas Blue Medicare Plus. ....

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

7.2 If no, give details  
 .....

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year ..... 23,505  
8.2 Number of providers at end of reporting year ..... 24,709

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

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

**GENERAL INTERROGATORIES**

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

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ ..... 2,698,788

10.22 Amount actually paid for year bonuses.....\$ ..... 1,234,177

10.23 Maximum amount payable withholds.....\$ ..... 0

10.24 Amount actually paid for year withholds.....\$ ..... 0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, ..... Yes  No

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

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

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

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

11.4 If yes, show the amount required. .... \$ 100,000

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

11.6 If the amount is calculated, show the calculation

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

1 Name of Service Area
State of Arkansas .....
.....

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

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

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

13.4 If yes, please provide the balance of funds administered as of the reporting date. .... \$ .....

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? ..... Yes  No  N/A

14.2 If the answer to 14.1 is yes, please provide the following:

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

15. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

15.1 Direct Premium Written ..... \$ ..... 0

15.2 Total Incurred Claims ..... \$ ..... 0

15.3 Number of Covered Lives ..... 0

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

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

16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes  No

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE HMO Partners, Inc

**FIVE-YEAR HISTORICAL DATA**

	1 2025	2 2024	3 2023	4 2022	5 2021
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28) .....	112,264,699	109,218,940	115,823,723	164,209,798	122,589,906
2. Total liabilities (Page 3, Line 24) .....	68,206,677	68,639,225	64,472,655	105,017,759	77,617,760
3. Statutory minimum capital and surplus requirement .....	100,000	100,000	100,000	100,000	100,000
4. Total capital and surplus (Page 3, Line 33) .....	44,058,022	40,579,716	51,351,069	59,192,047	44,972,155
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8) .....	55,373,224	43,677,658	46,433,757	190,883,745	203,004,531
6. Total medical and hospital expenses (Line 18) .....	46,720,662	35,136,179	30,961,082	154,245,165	184,076,138
7. Claims adjustment expenses (Line 20) .....	1,314,620	1,077,324	960,988	10,050,113	10,447,868
8. Total administrative expenses (Line 21) .....	5,764,220	5,962,752	6,389,517	21,573,217	29,755,969
9. Net underwriting gain (loss) (Line 24) .....	2,173,721	901,403	8,122,170	5,015,250	(21,275,444)
10. Net investment gain (loss) (Line 27) .....	2,909,611	5,792,141	3,408,408	1,810,932	2,357,198
11. Total other income (Lines 28 plus 29) .....	175,406	162,341	168,533	184,769	(60,328)
12. Net income or (loss) (Line 32) .....	4,933,187	5,912,979	10,125,001	7,010,951	(16,755,020)
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11) .....	(9,746,793)	11,079,876	(15,298,414)	13,333,214	11,177,253
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital .....	44,058,022	40,579,716	51,351,069	59,192,047	44,972,155
15. Authorized control level risk-based capital .....	3,286,222	3,222,691	3,772,208	7,571,343	8,639,579
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7) .....	37,813	38,762	40,711	65,371	75,606
17. Total members months (Column 6, Line 7) .....	469,811	486,515	554,775	818,208	799,877
<b>Operating Percentage</b> (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) .....	84.4	80.4	66.7	80.8	90.7
20. Cost containment expenses .....	2.0	5.3	5.8	5.3	5.0
21. Other claims adjustment expenses .....	0.3	(2.8)	(3.8)	0.0	0.1
22. Total underwriting deductions (Line 23) .....	96.1	97.9	82.5	97.4	110.5
23. Total underwriting gain (loss) (Line 24) .....	3.9	2.1	17.5	2.6	(10.5)
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5) .....	9,077,728	5,292,720	22,546,094	26,114,635	24,308,388
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)] .....	14,199,620	20,387,822	29,871,631	30,195,201	23,409,882
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 9 + 15, Col. 1) .....	0				
27. Affiliated preferred stocks (Sch. D Summary, Line 22, Col. 1) .....					0
28. Affiliated common stocks (Sch. D Summary, Line 28, Col. 1) .....					0
29. Affiliated mortgage loans on real estate .....					
30. All other affiliated .....					
31. Total of above Lines 26 to 30 .....	0	0	0	0	0
32. Total investment in parent included in Lines 26 to 30 above .....					

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

**SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS**

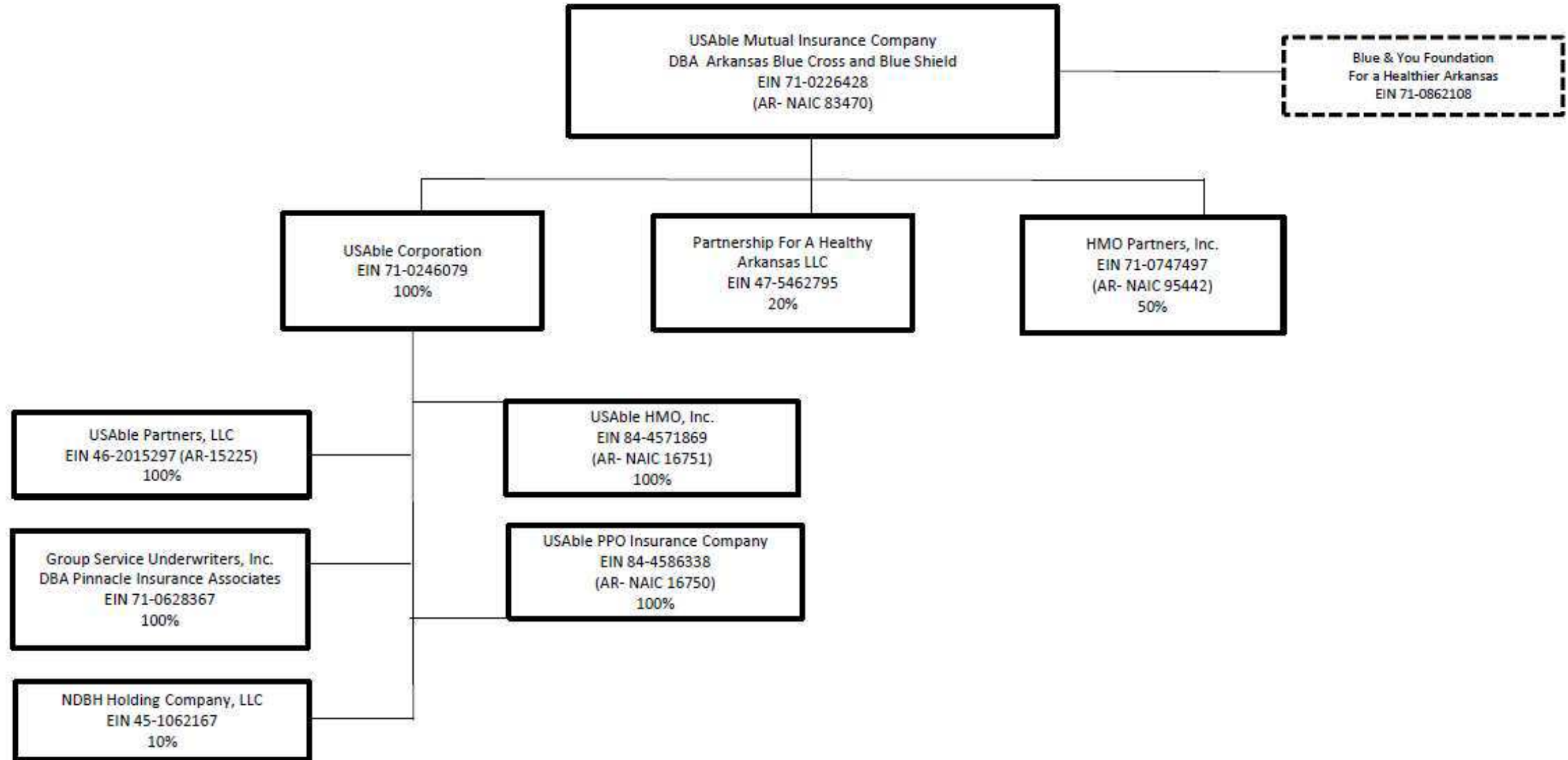
**Allocated by States and Territories**

States, etc.	1 Active Status (a)	Direct Business Only									
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1. Alabama	AL	N								0	
2. Alaska	AK	N								0	
3. Arizona	AZ	N								0	
4. Arkansas	AR	L	240,579,886							240,579,886	
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		240,579,886	0	0	0	0	0	0	240,579,886	0
60. Reporting entity contributions for employee benefit plans	XXX		3,608,245							3,608,245	
61. Totals (direct business)	XXX		244,188,131	0	0	0	0	0	0	244,188,131	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..... 1  
 2. R - Registered - Non-domiciled RRGs..... 0  
 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state. .... 0  
 4. Q - Qualified - Qualified or accredited reinsurer..... 0  
 5. N - None of the above - Not allowed to write business in the state..... 56

(b) Explanation of basis of allocation by states, premiums by state, etc.  
 Arkansas' premium is based on system data at the group/individual level.

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



NOTE: Life & Specialty Ventures, LLC formed its own holding company group (Group 5050) in May 2023 and is no longer a member of the Arkansas BCBS GRP #876.

**OVERFLOW PAGE FOR WRITE-INS**

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

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
2504. Bad Debt Expense .....			(6,370)		(6,370)
2505. User Exchange Fees .....			801,062		801,062
2506. Contributions .....	2,901		49,834		52,734
2507. Miscellaneous .....	212	573	141,366		142,152
2597. Summary of remaining write-ins for Line 25 from overflow page	3,113	573	985,892	0	989,579