



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025
OF THE CONDITION AND AFFAIRS OF THE
MERIT HEALTH INSURANCE COMPANY

NAIC Group Code 5036, 5036 NAIC Company Code 18750 Employer's ID Number 36-3856181
Organized under the Laws of AZ State of Domicile or Port of Entry AZ
Country of Domicile US
Licensed as business type: Life, Accident & Health Is HMO Federally Qualified?
Incorporated/Organized 11/23/1992 Commenced Business 01/08/1993
Statutory Home Office 15169 N. Scottsdale Rd. Suite 205 Scottsdale, AZ, US 85254
Main Administrative Office 463 Mountain View Drive Suite 301 Colchester, VT, US 05446 802 864 5515 (Telephone)
Mail Address 463 Mountain View Drive Suite 301 Colchester, VT, US 05446
Primary Location of Books and Records 2900 Ames Crossing Road, Suite 200 Eagan, MN, US 55121 800-858-0723 (Telephone)
Internet Website Address N/A
Statutory Statement Contact Delisca Christian 802-864-1710 (Telephone)
delisca.christian@marsh.com 802-859-3559 (E-Mail) (Fax)

OFFICERS

Mostafa M Kamal, President David A Schlett, Vice-President
Jessica L Hendrickson, Treasurer Michael J Kolar, Secretary

OTHER

Alicia M Dessner, Assistant Secretary

DIRECTORS OR TRUSTEES

Mostafa M Kamal Michael J Kolar
Jessica L Hendrickson David A Schlett
Alicia M Dessner

State of Minnesota
County of Hennepin SS

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

DocuSigned by: Alicia Dessner
DocuSigned by: Jessica Hendrickson
A37326D37EFC4D2... Alicia Dessner
EC5898FFBD2347A... Jessica Hendrickson

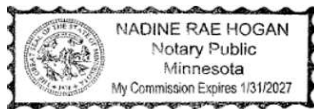
Subscribed and sworn to before me
this 24 day of
February, 2026

Notarized by: Nadine Rae Hogan
E0E1F3E717854A7...

Nadine Rae Hogan
COMM #20143522
Notary Public - State of Minnesota

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

I, Nadine Rae Hogan, remote eNotary authorized by the State of Minnesota to perform remote online notarizations, hereby certifies that this record was signed / attested to by use of communication technology by Alicia Dessner and Jessica Hendrickson, personally known by me and declared that Alicia is located in Eden Prairie MN at the time of the notary authorization and signing and Jessica is located in Plymouth MN at the time of the notary authorization and signing.



**ASSETS**

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	3,075,510		3,075,510	2,999,303
2. Stocks (Schedule D):				
2.1 Preferred stocks.....				
2.2 Common stocks.....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....				
3.2 Other than first liens.....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$..... encumbrances).....				
4.2 Properties held for the production of income (less \$..... encumbrances).....				
4.3 Properties held for sale (less \$..... encumbrances).....				
5. Cash (\$.....8,759, Schedule E - Part 1), cash equivalents (\$.....36,350,793, Schedule E - Part 2) and short-term investments (\$....., Schedule DA).....	36,359,552		36,359,552	34,843,495
6. Contract loans (including \$..... premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA).....				
9. Receivables for securities.....				6,497
10. Securities lending reinvested collateral assets (Schedule DL).....				
11. Aggregate write-ins for invested assets.....				
12. Subtotals, cash and invested assets (Lines 1 to 11).....	39,435,062		39,435,062	37,849,295
13. Title plants less \$..... charged off (for Title insurers only).....				
14. Investment income due and accrued.....	143,916		143,916	160,340
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums).....				
15.3 Accrued retrospective premiums (\$.....) and contracts subject to redetermination (\$.....).....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....				
16.2 Funds held by or deposited with reinsured companies.....				
16.3 Other amounts receivable under reinsurance contracts.....				
17. Amounts receivable relating to uninsured plans.....				
18.1 Current federal and foreign income tax recoverable and interest thereon.....				
18.2 Net deferred tax asset.....				
19. Guaranty funds receivable or on deposit.....				
20. Electronic data processing equipment and software.....				
21. Furniture and equipment, including health care delivery assets (\$.....).....				
22. Net adjustment in assets and liabilities due to foreign exchange rates.....				
23. Receivables from parent, subsidiaries and affiliates.....				
24. Health care (\$.....) and other amounts receivable.....				
25. Aggregate write-ins for other-than-invested assets.....	36,980	36,980	-	5,595
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	39,615,958	36,980	39,578,978	38,015,230
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27).....	39,615,958	36,980	39,578,978	38,015,230
<b>Details of Write-Ins</b>				
1101.....				
1102.....				
1103.....				
1198. Summary of remaining write-ins for Line 11 from overflow page.....				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....				
2501. Cash Adjustment.....				5,595
2502. Prepaid Expenses.....	36,980	36,980	-	-
2503.....				
2598. Summary of remaining write-ins for Line 25 from overflow page.....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	36,980	36,980	-	5,595

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$..... reinsurance ceded).....				
2. Accrued medical incentive pool and bonus amounts.....				
3. Unpaid claims adjustment expenses.....				
4. Aggregate health policy reserves, including the liability of \$..... for medical loss ratio rebate per the Public Health Service Act.....				
5. Aggregate life policy reserves.....				
6. Property/casualty unearned premium reserves.....				
7. Aggregate health claim reserves.....				
8. Premiums received in advance.....				
9. General expenses due or accrued.....	2,688		2,688	413,334
10.1 Current federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses)).....	53,995		53,995	
10.2 Net deferred tax liability.....				53,995
11. Ceded reinsurance premiums payable.....				
12. Amounts withheld or retained for the account of others.....				
13. Remittances and items not allocated.....				
14. Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current).....				
15. Amounts due to parent, subsidiaries and affiliates.....	149,726		149,726	157,367
16. Derivatives.....				
17. Payable for securities.....				
18. Payable for securities lending.....				
19. Funds held under reinsurance treaties (with \$..... authorized reinsurers, \$..... unauthorized reinsurers and \$..... certified reinsurers).....				
20. Reinsurance in unauthorized and certified (\$.....) companies.....				
21. Net adjustments in assets and liabilities due to foreign exchange rates.....				
22. Liability for amounts held under uninsured plans.....				
23. Aggregate write-ins for other liabilities (including \$..... current).....				
24. Total liabilities (Lines 1 to 23).....	206,409		206,409	624,696
25. Aggregate write-ins for special surplus funds.....	XXX	XXX		
26. Common capital stock.....	XXX	XXX	2,000,000	2,000,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	21,982,330	21,298,052
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX		
31. Unassigned funds (surplus).....	XXX	XXX	15,390,240	14,092,482
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	39,372,570	37,390,534
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	39,578,979	38,015,230
<b>Details of Write-Ins</b>				
2301.....				
2302.....				
2303.....				
2398. Summary of remaining write-ins for Line 23 from overflow page.....				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....				
2501.....	XXX	XXX		
2502.....	XXX	XXX		
2503.....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX		
3001.....	XXX	XXX		
3002.....	XXX	XXX		
3003.....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....				
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX		

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX		
2. Net premium income (including \$..... non-health premium income).....	XXX		
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		
4. Fee-for-service (net of \$..... medical expenses).....	XXX		
5. Risk revenue.....	XXX		
6. Aggregate write-ins for other health care related revenues.....	XXX		
7. Aggregate write-ins for other non-health revenues.....	XXX		
8. Total revenues (Lines 2 to 7).....	XXX		
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits.....			
10. Other professional services.....			
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....			
14. Aggregate write-ins for other hospital and medical.....			
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....			
<b>Less:</b>			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....			
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$..... cost containment expenses.....			
21. General administrative expenses.....		356,669	314,324
22. Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....		356,669	314,324
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	(356,669)	(314,324)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		1,593,843	1,887,508
26. Net realized capital gains (losses) less capital gains tax of \$.....			
27. Net investment gains (losses) (Lines 25 plus 26).....		1,593,843	1,887,508
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.....		45,149	(93,746)
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	1,282,323	1,479,438
31. Federal and foreign income taxes incurred.....	XXX		30,044
32. Net income (loss) (Lines 30 minus 31).....	XXX	1,282,323	1,449,394
<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		
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX		
0701.....	XXX		
0702.....	XXX		
0703.....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX		
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX		
1401.....			
1402.....			
1403.....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....			
2901. Miscellaneous income.....		45,149	(93,746)
2902.....			
2903.....			
2998. Summary of remaining write-ins for Line 29 from overflow page.....			
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....		45,149	(93,746)

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

		1	2
CAPITAL & SURPLUS ACCOUNT		Current Year	Prior Year
33.	Capital and surplus prior reporting year.....	37,390,534	35,763,246
34.	Net income or (loss) from Line 32.....	1,282,323	1,449,394
35.	Change in valuation basis of aggregate policy and claim reserves.....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....		
37.	Change in net unrealized foreign exchange capital gain or (loss).....		
38.	Change in net deferred income tax.....		
39.	Change in nonadmitted assets.....	(1,386)	(35,594)
40.	Change in unauthorized and certified reinsurance.....		
41.	Change in treasury stock.....		
42.	Change in surplus notes.....		
43.	Cumulative effect of changes in accounting principles.....		
44.	Capital Changes:		
44.1	Paid in.....		
44.2	Transferred from surplus (stock dividend).....		
44.3	Transferred to surplus.....		
45.	Surplus adjustments:		
45.1	Paid in.....	684,278	278,051
45.2	Transferred to capital (stock dividend).....		
45.3	Transferred from capital.....		
46.	Dividends to stockholders.....		
47.	Aggregate write-ins for gains or (losses) in surplus.....	16,821	(64,563)
48.	Net change in capital and surplus (Lines 34 to 47).....	1,982,036	1,627,288
49.	Capital and surplus end of reporting year (Line 33 plus 48).....	39,372,570	37,390,534
<b>Details of Write-Ins</b>			
4701.	Surplus Adj.....		
4702.	Change in OCI.....	16,821	(64,563)
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page.....		
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	16,821	(64,563)

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....		
2. Net investment income.....	1,545,831	1,919,909
3. Miscellaneous income.....		
4. Total (Lines 1 to 3).....	1,545,831	1,919,909
5. Benefit and loss related payments.....		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	722,166	489,448
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$..... tax on capital gains (losses).....	-	-
10. Total (Lines 5 through 9).....	722,166	489,448
11. Net cash from operations (Line 4 minus Line 10).....	823,665	1,430,461
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....		3,340,698
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....	6,497	-
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	6,497	3,340,698
13. Cost of investments acquired (long-term only exclude cash equivalents and short-term investments):		
13.1 Bonds.....	11,771	3,127,651
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....	-	307,952
13.7 Total investments acquired (Lines 13.1 to 13.6).....	11,771	3,435,603
14. Net increase / (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(5,274)	(94,905)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....	684,278	278,051
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	13,389	57,950
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	697,667	336,001
<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).....	1,516,058	1,671,557
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	34,843,495	33,171,938
19.2 End of year (Line 18 plus Line 19.1).....	36,359,553	34,843,495

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

20.0001.....		
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**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income														
2. Change in unearned premium reserves and reserve for rate credit														
3. Fee-for-service (net of \$..... medical expenses)														XXX
4. Risk revenue														XXX
5. Aggregate write-ins for other health care related revenues														XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
7. Total revenues (Lines 1 to 6)														
8. Hospital/medical benefits														XXX
9. Other professional services														XXX
10. Outside referrals														XXX
11. Emergency room and out-of-area														XXX
12. Prescription drugs														XXX
13. Aggregate write-ins for other hospital and medical														XXX
14. Incentive pool, withhold adjustments and bonus amounts														XXX
15. Subtotal (Lines 8 to 14)														XXX
16. Net reinsurance recoveries														XXX
17. Total hospital and medical (Lines 15 minus 16)														XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
19. Claims adjustment expenses including \$..... cost containment expenses														
20. General administrative expenses	356,669													356,669
21. Increase in reserves for accident and health contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
22. Increase in reserves for life contracts														
23. Total underwriting deductions (Lines 17 to 22)	356,669													356,669
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(356,669)													(356,669)
<b>Details of Write-Ins</b>														
0501. ....														XXX
0502. ....														XXX
0503. ....														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page														XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)														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		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
1301. ....														XXX
1302. ....														XXX
1303. ....														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page														XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)														XXX

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 – PREMIUMS

Line of Business		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) individual.....					
2. Comprehensive (hospital and medical) group.....					
3. Medicare supplement.....					
4. Vision only.....					
5. Dental only.....					
6. Federal employees health benefits plan.....					
7. Title XVIII – Medicare.....					
8. Title XIX – Medicaid.....					
9. Credit A&H.....					
10. Disability income.....					
11. Long-term care.....					
12. Other health.....					
13. Health subtotal (Lines 1 through 12).....					
14. Life.....					
15. Property/casualty.....					
16. Totals (Lines 13 to 15).....					

**NONE**

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

**NONE**

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

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

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

**NONE**

**UNDERWRITING AND INVESTMENT EXHIBIT**  
PART 2B – ANALYSIS OF CLAIMS UNPAID – PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical) individual						
2. Comprehensive (hospital and medical) group						
3. Medicare supplement						
4. Vision only						
5. Dental only						
6. Federal employees health benefits plan						
7. Title XVIII – Medicare						
8. Title XIX – Medicaid						
9. Credit A&H						
10. Disability income						
11. Long-term care						
12. Other health						
13. Health subtotal (Lines 1 to 12)						
14. Health care receivables (a)						
15. Other non-health						
16. Medical incentive pools and bonus amounts						
17. Totals (Lines 13 - 14 + 15 + 16)						

**NONE**

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

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	-	-	-	(42,978)	
2. 2021	1,466	1,466	1,466		
3. 2022	XXX	(2,743)	(2,743)		
4. 2023	XXX	XXX	-		
5. 2024	XXX	XXX	XXX		
6. 2025	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	-	-	-	(42,978)	
2. 2021	1,466	1,466	1,466		
3. 2022	XXX	(2,743)	(2,743)		
4. 2023	XXX	XXX	-		
5. 2024	XXX	XXX	XXX		
6. 2025	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	(195)									
2. 2022	(818)									
3. 2023										
4. 2024										
5. 2025										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	-	-	-	-	-
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	-	-	-	-	-
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

**Section A – Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	-	-	-	(42,978)	
2. 2021	1,466	1,466	1,466		
3. 2022	XXX	(2,743)	(2,743)		
4. 2023	XXX	XXX	-		
5. 2024	XXX	XXX	XXX		
6. 2025	XXX	XXX	XXX	XXX	

**Section B – Incurred Health Claims**

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	-	-	-	(42,978)	
2. 2021	1,466	1,466	1,466		
3. 2022	XXX	(2,743)	(2,743)		
4. 2023	XXX	XXX	-		
5. 2024	XXX	XXX	XXX		
6. 2025	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	(195)									
2. 2022	(818)									
3. 2023										
4. 2024										
5. 2025										

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**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other
1. Unearned premium reserves.....													
2. Additional policy reserves (a).....													
3. Reserve for future contingent benefits.....													
4. Reserve for rate credits or experience rating refunds (including \$..... for investment income).....													
5. Aggregate write-ins for other policy reserves.....													
6. Totals (gross).....													
7. Reinsurance ceded.....													
8. Totals (Net) (Page 3, Line 4).....													
9. Present value of amounts not yet due on claims.....													
10. Reserve for future contingent benefits.....													
11. Aggregate write-ins for other claim reserves.....													
12. Totals (gross).....													
13. Reinsurance ceded.....													
14. Totals (Net) (Page 3, Line 7).....													
<b>NONE</b>													
<b>Details of Write-Ins</b>													
0501. ....													
0502. ....													
0503. ....													
0598. Summary of remaining write-ins for Line 5 from overflow page.....													
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....													
1101. ....													
1102. ....													
1103. ....													
1198. Summary of remaining write-ins for Line 11 from overflow page.....													
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....													

(a) Includes \$ premium deficiency reserve.

**UNDERWRITING AND INVESTMENT EXHIBIT**

## PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$..... for occupancy of own building).....					
2. Salaries, wages and other benefits.....					
3. Commissions (less \$..... ceded plus \$..... assumed).....					
4. Legal fees and expenses.....					
5. Certifications and accreditation fees.....					
6. Auditing, actuarial and other consulting services.....			261,698		261,698
7. Traveling expenses.....					
8. Marketing and advertising.....					
9. Postage, express and telephone.....					
10. Printing and office supplies.....					
11. Occupancy, depreciation and amortization.....					
12. Equipment.....					
13. Cost or depreciation of EDP equipment and software.....					
14. Outsourced services including EDP, claims, and other services.....					
15. Boards, bureaus and association fees.....					
16. Insurance, except on real estate.....					
17. Collection and bank service charges.....					
18. Group service and administration fees.....					
19. Reimbursements by uninsured plans.....					
20. Reimbursements from fiscal intermediaries.....					
21. Real estate expenses.....					
22. Real estate taxes.....					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....					
23.2 State premium taxes.....					
23.3 Regulatory authority licenses and fees.....			86,108		86,108
23.4 Payroll taxes.....					
23.5 Other (excluding federal income and real estate taxes).....					
24. Investment expenses not included elsewhere.....				904	904
25. Aggregate write-ins for expenses.....			8,863		8,863
26. Total expenses incurred (Lines 1 to 25).....			356,669	904	(a) 357,573
27. Less expenses unpaid December 31, current year.....			2,688		2,688
28. Add expenses unpaid December 31, prior year.....			413,334		413,334
29. Amounts receivable relating to uninsured plans, prior year.....					
30. Amounts receivable relating to uninsured plans, current year.....					
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....			767,315	904	768,219
<b>Details of Write-Ins</b>					
2501. Miscellaneous.....			(13)		(13)
2502. Dues, Subscriptions, Licenses.....			2,688		2,688
2503. Bank Fees.....			6,188		6,188
2598. Summary of remaining write-ins for Line 25 from overflow page.....					
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....			8,863		8,863

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

**EXHIBIT OF NET INVESTMENT INCOME**

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) 116,891	118,185
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 4,165	4,165
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 1,490,114	1,472,397
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	1,611,171	1,594,747
11.	Investment expenses		(g) 904
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		904
17.	Net investment income (Line 10 minus Line 16)		1,593,843
<b>Details of Write-Ins</b>			
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)		
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$64,436 accrual of discount less \$ amortization of premium and less \$1,257 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)					
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)					
<b>NONE</b>						
<b>Details of Write-Ins</b>						
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)					

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 – Col. 1)
1. Bonds (Schedule D).....			
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			
2.2 Common stocks.....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale.....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			
6. Contract loans.....			
7. Derivatives (Schedule DB).....			
8. Other invested assets (Schedule BA).....			
9. Receivables for securities.....			
10. Securities lending reinvested collateral assets (Schedule DL).....			
11. Aggregate write-ins for invested assets.....			
12. Subtotals, cash and invested assets (Lines 1 to 11).....			
13. Title plants (for Title insurers only).....			
14. Investment income due and accrued.....			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			
16.2 Funds held by or deposited with reinsured companies.....			
16.3 Other amounts receivable under reinsurance contracts.....			
17. Amounts receivable relating to uninsured plans.....			
18.1 Current federal and foreign income tax recoverable and interest thereon.....			
18.2 Net deferred tax asset.....			
19. Guaranty funds receivable or on deposit.....			
20. Electronic data processing equipment and software.....			
21. Furniture and equipment, including health care delivery assets.....			
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			
23. Receivables from parent, subsidiaries and affiliates.....			
24. Health care and other amounts receivable.....			
25. Aggregate write-ins for other-than-invested assets.....	36,980	35,594	(1,386)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	36,980	35,594	(1,386)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
28. Total (Lines 26 and 27).....	36,980	35,594	(1,386)
<b>Details of Write-Ins</b>			
1101.....			
1102.....			
1103.....			
1198. Summary of remaining write-ins for Line 11 from overflow page.....			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....			
2501. Prepaid Expense.....	36,980	35,594	(1,386)
2502.....			
2503.....			
2598. Summary of remaining write-ins for Line 25 from overflow page.....			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	36,980	35,594	(1,386)

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

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....						
2. Provider Service Organizations.....						
3. Preferred Provider Organizations.....						
4. Point of Service.....						
5. Indemnity Only.....						
6. Aggregate write-ins for other lines of business.....						
7. Total.....						
<b>Details of Write-Ins</b>						
0601.....						
0602.....						
0603.....						
0698. Summary of remaining write-ins for Line 6 from overflow page.....						
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....						

**NONE**

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

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

	SSAP #	F/S Page	F/S Line #	2025	2024
Net Income					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 1,282,323	\$ 1,449,394
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 1,282,323</u>	<u>\$ 1,449,394</u>
Surplus					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 39,372,570	\$ 37,390,534
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 39,372,570</u>	<u>\$ 37,390,534</u>

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

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

#### C. Accounting Policy

##### Fair Value of Financial Instruments

The Company currently does not have any assets or liabilities that are required to be measured at fair value on a recurring basis. SSAP No. 100 "Fair Value Measurements", defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value. The carrying value of the Company's financial instruments classified as current assets (other than short-term investments) and current liabilities approximate fair value due to their short maturities. As of December 31, 2024, the Company had no short-term investments; the carrying value and fair value of the Company's long-term investments totaled \$2,999,303 and \$2,985,093. As of December 31, 2025, the Company had no short-term investments; the carrying value and fair value of the Company's long-term investments totaled \$3,075,510 and \$3,087,323.

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

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

##### Revenue Recognition

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

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

## Notes to the Financial Statements

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

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

The Company did not generate premium revenue for the period ended December 31, 2025. There was no increase in amounts due from CMS under a risk sharing feature of the Medicare Part D plan design referred to as the "risk corridor". Risk corridor amounts are recorded as an adjustment to premiums. Based on settlement position, amounts due to or from CMS under the risk sharing feature are recorded in either Health Policy Reserves or Accrued Retrospective Premiums in the accompanying balance sheets.

Due to the risk corridor, the Company's business is accounted for as a retrospectively rates contract. The Company estimates amounts due to or from CMS under the risk corridor feature using a mathematical approach based on the Company's underwriting experience. It is at least reasonably possible that these estimates could differ from the amounts that are ultimately settled with CMS and that such a change in the estimates could be material to the financial statements. There no premiums written during the period ended December 31, 2025 that were subject to the retrospective feature.

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

Cash consists of cash on hand and in financial institutions, along with certificates of deposit with maturity dates at the time of acquisition of one year or less. Cash equivalents are short-term, highly liquid interest-bearing investments with maturity dates of three months or less when acquired. Short-term investments have maturities of one year or less at the time of acquisition (excluding those investments classified as cash equivalents) and are recorded at amortized cost using the straight-line basis, except in cases where NAIC designation requires them to be carried at the lower of amortized cost or fair value. As of December 31, 2024, the Company held cash equivalents that consisted of money market mutual funds totaling \$34,843,495. The Company held cash equivalents as of December 31, 2025, that consisted of money market mutual funds totaling \$36,350,793.

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

#### (3) Common stocks - Not Applicable

#### (4) Preferred stocks - Not Applicable

#### (5) Mortgage loans - Not Applicable

#### (6) Asset-backed securities - Not Applicable

#### (7) Long-term Investments

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

#### Investment Securities

The Company periodically evaluates whether any declines in the fair value of investment securities are other-than-temporary. This evaluation consists of a review of several factors, including but not limited to: the length of time and extent that a security has been in an unrealized loss position; the existence of an event that would impair the issuer's future earnings potential; the near-term prospects for recovery of the market value of a security; and the intent and ability of the Company to hold the security until the market value recovers. Declines in value below cost for investments where it is considered probable that all contractual terms of the investment will be satisfied, the decline is due primarily to changes in interest rates (and not because of increased credit risk), and where the Company intends and has the ability to hold the investment for a period of time sufficient to allow a market recovery, are not assumed to be other-than-temporary. As of December 31, 2024, and December 31, 2025, the Company did not have any other-than-temporary impairments.

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

#### (9) Derivatives - Not Applicable

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

#### (11) Claims Costs and Liability for Unpaid Claims

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

## Notes to the Financial Statements

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

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

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

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

(12) Changes in capitalization policy - Not Applicable

(13) Pharmaceutical rebate receivables - Not Applicable

#### D. Going Concern

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

### 2. Accounting Changes and Corrections of Errors - Not Applicable

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

### 4. Discontinued Operations - Not Applicable

### 5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable

B. Debt Restructuring - Not Applicable

C. Reverse Mortgages - Not Applicable

D. Asset-Backed Securities - Not Applicable

E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable

J. Real Estate - Not Applicable

K. Investments in Tax Credit Structures (tax credit investments) - Not Applicable

**Notes to the Financial Statements**

**5. Investments (Continued)**

L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	(1) Total Gross (Admitted & Nonadmitted) Restricted from Current Year	(2) Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	(3) Increase / (Decrease) (1 minus 2)	(4) Total Current Year Nonadmitted Restricted	(5) Total Current Year Admitted Restricted (1 minus 4)	(6) Gross (Admitted & Nonadmitted) Restricted to Total Assets	(7) Admitted Restricted to Total Admitted Assets	(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	3,151,744	3,076,207	75,537		3,151,744	7.956	7.963	3,151,744	-	26.28
k. On deposit with other regulatory bodies										26.29
l. Pledged as 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)	\$ 3,151,744	\$ 3,076,207	\$ 75,537	\$	\$ 3,151,744	7.956 %	7.963 %	XXX	XXX	XXX

Explanation for differences between the Note and general interrogatories:

GI Reference	Difference between Note and GI (Per Column 9 above)	Explanation
25.04+25.05	\$	
26.21		
26.22		
26.23		
26.24		
26.25		
26.26		
26.27		
26.28	-	
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) - Not Applicable
- (3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance (excluding Modco/FWH) and derivatives, are reported in the aggregate) - Not Applicable
- (4) Collateral received and assets held under Modco/Funds Withheld (FWH) reinsurance agreements reflected as assets within the reporting entity's financial statements - Not Applicable

## Notes to the Financial Statements

### 5. Investments (Continued)

(5) Assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements that have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer)

	(1)	(2)	(3)
	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			
N. Offsetting and Netting of Assets and Liabilities - Not Applicable			
O. 5GI Securities - Not Applicable			
P. Short Sales - Not Applicable			
Q. Prepayment Penalty and Acceleration Fees - Not Applicable			
R. Reporting Entity's Share of Cash Pool by Asset Type - Not Applicable			
S. Aggregate Collateral Loans by Qualifying Investment Collateral - None			

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

### 7. Investment Income

#### A. Due and Accrued Income Excluded from Surplus

The Company admitted all investment income due and accrued as of December 31, 2024 and December 31, 2025, which totaled \$160,340 and \$143,916 respectively.

#### B. Total Amount Excluded - Not Applicable

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

Interest Income Due and Accrued	Amount
1. Gross.....	\$..... 143,916
2. Nonadmitted.....	\$.....
3. Admitted.....	\$..... 143,916

#### D. The aggregate deferred interest

	Amount
Aggregate Deferred Interest.....	\$.....

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

### 8. Derivative Instruments - Not Applicable

### 9. Income Taxes

The Company recorded a federal tax expense of \$30,044 for the period ending December 31, 2024 and \$0 for the period ending December 31, 2025. The Company pays premium taxes in lieu of state income taxes.

#### A. Components of the net deferred tax asset/(liability) - Not Applicable

#### B. Regarding deferred tax liabilities that are not recognized - Not Applicable

#### C. Major components of current income taxes incurred

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal.....	\$.....	\$..... 30,044	\$..... (30,044)
(b) Foreign.....			
(c) Subtotal (1a+1b).....	\$.....	\$..... 30,044	\$..... (30,044)
(d) Federal income tax on net capital gains.....			
(e) Utilization of capital loss carry-forwards.....			
(f) Other.....			
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f).....	\$.....	\$..... 30,044	\$..... (30,044)

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$	\$	\$
(2) Unearned premium reserve			
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted			
(11) Net operating loss carry-forward			
(12) Tax credit carry-forward			
(13) Other			
(99) Subtotal (Sum of 2a1 through 2a13)	\$	\$	\$
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted			
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$	\$	\$
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward			
(3) Real estate			
(4) Other			
(99) Subtotal (2e1+2e2+2e3+2e4)	\$	\$	\$
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)			
(i) Admitted deferred tax assets (2d + 2h)	\$	\$	\$
	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$	\$	\$
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other			
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$	\$	\$
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other			
(99) Subtotal (3b1+3b2+3b3)	\$	\$	\$
(c) Deferred tax liabilities (3a99 + 3b99)	\$	\$	\$
4. Net deferred tax assets/liabilities (2i - 3c)	\$	\$	\$

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

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
Adjusted gross deferred tax assets	\$	\$	\$
Total deferred tax liabilities			
Net deferred tax assets (liabilities)	\$	\$	\$
Statutory valuation allowance adjustment			
Net deferred tax assets (liabilities) after statutory valuation allowance	\$	\$	\$
Tax effect of unrealized gains (losses)			
Change in net deferred income tax			\$

## Notes to the Financial Statements

### 9. Income Taxes (Continued)

- D. Among the more significant book to tax adjustments - Not Applicable
- E. Operating loss and tax credit carryforwards - Not Applicable
- F. Consolidated federal income tax return - None
- G. Federal or foreign income tax loss contingencies - Not Applicable
- H. Repatriation Transition Tax (RTT) - Not Applicable
- I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

- A. The Company is a direct subsidiary of Prime Health Holdings LLC ("Prime"). Prime is engaged diversified pharmacy solutions serving health plans, employers and government programs.
- B. Detail of Related Party Transactions - Not Applicable
- D. Amounts receivable from or payable to parent, subsidiaries and affiliates are non-interest bearing and are settled within ninety days of quarter-end. As of December 31, 2024, the Company reported \$0 as the amount due from parent, subsidiaries and affiliates and \$157,368 due to parent, subsidiaries and affiliates. As of December 31, 2025, the Company reported \$0 due from parent, subsidiaries and affiliates and \$149,726 due to parent, subsidiaries and affiliates.
- E. Management Service Contracts and Cost Sharing Arrangements - Not Applicable
- F. Guarantees or Contingencies - Not Applicable
- G. Nature of Relationships that Could Affect Operations - Not Applicable
- H. Amount Deducted for Investment in Upstream Company - Not Applicable
- I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable
- J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable
- K. Foreign Subsidiary Value Using CARVM - Not Applicable
- L. Downstream Holding Company Value Using Look-Through Method - Not Applicable
- M. All SCA Investments - Not Applicable
- N. Investment in Insurance SCAs - Not Applicable
- O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

### 11. Debt - Not Applicable

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

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

- A. The Company has 10,000,000 shares of common stock authorized, with 2,000,000 shares issued and outstanding at a \$1.00 par value.
- B. Dividend Rate of Preferred Stock - Not Applicable
- C. Dividends to stockholders are limited by Arizona statute, and are generally payable from accumulated surplus funds that are derived from realized net operating profits on its business and realized net capital gains on its investments. Dividend requests over specified thresholds require approval of the Department.
- D. Ordinary Dividends - Not Applicable
- E. Company Profits Paid as Ordinary Dividends - Not Applicable
- F. Surplus Restrictions - Not Applicable
- G. Surplus Advances - Not Applicable
- H. Stock Held for Special Purposes - Not Applicable
- I. Changes in Special Surplus Funds - Not Applicable
- J. Unassigned Funds (Surplus) - Not Applicable
- K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
- M. As of December 31, 2025 the Company has not declared or paid a dividend.

### 14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable
- B. Assessments - Not Applicable
- C. Gain Contingencies - Not Applicable

## Notes to the Financial Statements

### 14. Liabilities, Contingencies and Assessments (Continued)

- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not Applicable
- E. Joint and Several Liabilities - Not Applicable
- F. All Other Contingencies

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

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

The Company routinely assesses the collectability of its receivables. The Company did not have any allowances recorded on receivables for the year ended December 31, 2024 and December 31, 2025. As of December 31, 2024 and December 31, 2025 the Company did not have non-admitted rebate receivables.

### 15. Leases - Not Applicable

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

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

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

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

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

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

- A. ASO Plans - Not Applicable
- B. ASC Plans - Not Applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

- (1) There were no subsidies from Centers for Medicare and Medicaid Services ("CMS") for the year end December 31, 2024 or as of December 31, 2025.
- (2) As of December 31, 2025 amounts receivable relating to uninsured plans includes \$5,678,998 due from CMS or drug manufacturers for LICs, CGDP and drug costs covered by the catastrophic reinsurance feature.
- (3) Not Applicable
- (4) As of December 31, 2025, the Company has recorded an allowance for doubtful accounts for the uncollected receivables related to uninsured plans of \$5,678,998.

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

### 20. Fair Value Measurements

- A. Fair Value Measurement

- (1) Fair value measurements at reporting date

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

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash	\$	\$	\$	8,759	8,759
Exempt MM Mutual Fund				35,000	35,000
Other MM Mutual Fund				36,315,793	36,315,793
Total assets at fair value/NAV	\$	\$	\$	36,359,552	36,359,552
b. Liabilities at fair value					
Total liabilities at fair value	\$	\$	\$		

**Notes to the Financial Statements**

**20. Fair Value Measurements (Continued)**

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

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values or NAV for All Financial Instruments

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 3,087,323	\$ 3,075,510	\$ 3,087,323				

D. Not Practicable to Estimate Fair Value - Not Applicable

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

**21. Other Items - Not Applicable**

**22. Events Subsequent**

Type I – Recognized Subsequent Events - Not Applicable

Type II – Nonrecognized Subsequent Events - Not Applicable

**23. Reinsurance - Not Applicable**

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

A. Method Used to Estimate

The Company’s Medicare Part D contract with CMS contains a risk corridor feature. Due to the risk corridor feature, the Company’s business is accounted for as a retrospectively rated contract. The Company estimates retrospective premium adjustments using a mathematical approach based on the Company’s underwriting experience. As of December 31, 2024 and December 31, 2025, accrued retrospective premium adjustments were reported as accrued retrospective premiums of \$5,678,998. An allowance for doubtful accounts of \$5,678,998 was recorded for the uncollected accrued retrospective premium adjustment as of December 31, 2024 and December 31, 2025.

B. Method Used to Record

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

C. Amount and Percent of Net Retrospective Premiums

The was no retrospective premium risk corridor for the period ended December 31, 2025

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

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

**25. Change in Incurred Claims and Claim Adjustment Expenses - Not Applicable**

**26. Intercompany Pooling Arrangements - Not Applicable**

**27. Structured Settlements - Not Applicable**

**28. Health Care Receivables**

A. Pharmaceutical Rebate Receivables

The Company had no healthcare receivables for the periods ended December 31, 2024 and December 31, 2025.

B. Risk-Sharing Receivables - Not Applicable

C. Medicare Prescription Payment Plan Receivables

- (1) Recoverable amounts included in other health care receivables

	Amount
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

	Current Period Gross	1-30 days	31-60 days	61-90 days	Over 90 Days	Nonadmitted	Admitted
Medicare Prescription Payment Plan Recoverables	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....

**Notes to the Financial Statements**

**28. Health Care Receivables (Continued)**

(3) Write-offs of impaired Medicare Prescription Payment Plan receivables

	Current Year Amount	Prior Year Amount
Incurred claims expense includes write-offs of impaired Medicare Prescription Payment Plan receivables.....	\$.....	\$.....

**29. Participating Policies - Not Applicable**

**30. Premium Deficiency Reserves**

Premium deficiency reserves are established for the amount of the anticipated claims and other acquisition costs, and maintenance costs that have not previously been expensed in excess of the recorded unearned premium reserve and future installment premiums, if any, on existing contracts. As of December 31, 2024, and December 31, 2025 the Company held no premium deficiency reserves.

**31. Anticipated Salvage and Subrogation - Not Applicable**

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

**GENERAL**

- 1.1. Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?..... YES  
If yes, complete Schedule Y, Parts 1, 1A, 2, and 3.
- 1.2. If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?..... YES
- 1.3. State Regulating?..... Arizona
- 1.4. Is the reporting entity publicly traded or a member of a publicly traded group?..... NO
- 1.5. If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....
- 2.1. Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?..... NO
- 2.2. If yes, date of change:.....
- 3.1. State as of what date the latest financial examination of the reporting entity was made or is being made..... 12/31/2020
- 3.2. State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released..... 12/31/2020
- 3.3. State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date)..... 06/27/2022
- 3.4. By what department or departments?  
Arizona Department of Insurance
- 3.5. Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?..... N/A
- 3.6. Have all of the recommendations within the latest financial examination report been complied with?..... YES
- 4.1. During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
- 4.11. sales of new business?..... NO
- 4.12. renewals?..... NO
- 4.2. During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
- 4.21. sales of new business?..... NO
- 4.22. renewals?..... NO
- 5.1. Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?..... NO  
If yes, complete and file the merger history data file with the NAIC.
- 5.2. If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1              | 2                 | 3                 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | State of Domicile |
|                |                   |                   |
- 6.1. Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?..... NO
- 6.2. If yes, give full information
- 7.1. Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?..... NO
- 7.2. If yes,
- 7.21. State the percentage of foreign control..... %
- 7.22. State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).
- | 1           | 2              |
|-------------|----------------|
| Nationality | Type of Entity |
|             |                |
- 8.1. Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?..... NO
- 8.2. If response to 8.1 is yes, please identify the name of the DIHC.....
- 8.3. Is the company affiliated with one or more banks, thrifts or securities firms?..... NO
- 8.4. If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

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

- 8.5. Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company?..... NO.....
- 8.6. If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule?..... NO.....
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
RSM US LLP, 8182 Maryland Ave Unit 900, St. Louis, MO 63105
- 10.1. Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?..... NO.....
- 10.2. If the response to 10.1 is yes, provide information related to this exemption:
- 10.3. Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?..... NO.....
- 10.4. If the response to 10.3 is yes, provide information related to this exemption:
- 10.5. Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?..... N/A.....
- 10.6. If the response to 10.5 is no or n/a, please explain.  
Merit Health does not have an Audit Committee because Merit Health is an insurer that is an indirect wholly owned subsidiary of a SOX compliant entity.
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Michael Cellini, Senior Manager and Consulting Actuary, Ernst & Young LLP, 5 Times Square, New York, NY 10036
- 12.1. Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?..... NO.....
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved.....
- 12.13 Total book / adjusted carrying value..... \$
- 12.2. If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1. What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?.....
- 13.2. Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?..... NO.....
- 13.3. Have there been any changes made to any of the trust indentures during the year?..... NO.....
- 13.4. If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?..... 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.....
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11. If the response to 14.1 is no, please explain:
- 14.2. Has the code of ethics for senior managers been amended?..... NO.....
- 14.21. If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3. Have any provisions of the code of ethics been waived for any of the specified officers?..... NO.....
- 14.31. If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1. Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?..... NO.....
- 15.2. If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

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

**BOARD OF DIRECTORS**

- 16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? ..... YES
- 17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? ..... YES
- 18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? ..... YES

**FINANCIAL**

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

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

**INVESTMENT**

- 25.01. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03) ..... YES
- 25.02. If no, give full and complete information, relating thereto
- 25.03. For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 25.04. For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions ..... \$
- 25.05. For the reporting entity's securities lending program, report amount of collateral for other programs ..... \$
- 25.06. Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... N/A
- 25.07. Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... N/A
- 25.08. Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? ..... NO

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

25.09. For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:  
 25.091. Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$  
 25.092. Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$  
 25.093. Total payable for securities lending reported on the liability page ..... \$

26.1. Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03) ..... YES

26.2. If yes, state the amount thereof at December 31 of the current year:  
 26.21. Subject to repurchase agreements ..... \$  
 26.22. Subject to reverse repurchase agreements ..... \$  
 26.23. Subject to dollar repurchase agreements ..... \$  
 26.24. Subject to reverse dollar repurchase agreements ..... \$  
 26.25. Placed under option agreements ..... \$  
 26.26. Letter stock or securities restricted as to sale - excluding FHLB Capital Stock ..... \$  
 26.27. FHLB Capital Stock ..... \$  
 26.28. On deposit with states ..... \$ 3,151,744  
 26.29. On deposit with other regulatory bodies ..... \$  
 26.30. Pledged as collateral - excluding collateral pledged to an FHLB ..... \$  
 26.31. Pledged as collateral to FHLB - including assets backing funding agreements ..... \$  
 26.32. Other ..... \$

26.3. For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		\$

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

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

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

27.3. Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? ..... NO

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

27.5. By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:  
 • The reporting entity has obtained explicit approval from the domiciliary state.  
 • Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.  
 • Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.  
 • Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

28.1. Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? ..... NO

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
U.S. Bank - Trust Services	205 S. 5th Street, P.O. Box 19264, Springfield, IL 62794-9264

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

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

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

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

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

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

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

29.0597. For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets?..... NO.....

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

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

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

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

30.2. If yes, complete the following schedule:

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

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

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

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1. Issuer Credit Obligations.....	\$..... 3,075,510	\$..... 3,087,323	\$..... 11,813
31.2. Asset-Backed Securities.....			
31.3. Preferred Stocks.....			
31.4. Totals.....	\$..... 3,075,510	\$..... 3,087,323	\$..... 11,813

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

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

32.2. If the answer to 32.1 is yes, does the reporting entity have a copy of the broker’s or custodian’s pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... YES.....

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

33.1. Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?..... YES.....

33.2. If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:  
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.  
 b. Issuer or obligor is current on all contracted interest and principal payments.  
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.  
 Has the reporting entity self-designated 5GI securities?..... NO.....

35. By self-designating PLGI securities, the reporting entity is certifying 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.

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

- c. The NAIC Designation and NAIC Designation Category were derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.
- d. Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.

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

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

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

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
  - b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
  - c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
  - d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?..... NO.....

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

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

39.1. Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies?..... NO.....

39.2. If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?

39.21 Held directly.....

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

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

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

**OTHER**

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

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

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

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

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
	\$.....

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

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

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

**GENERAL INTERROGATORIES**  
PART 2 - HEALTH INTERROGATORIES

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

2. Health Test:

	1	2
	Current Year	Prior Year
2.1 Premium Numerator.....	\$.....	\$.....
2.2 Premium Denominator.....	\$.....	\$.....
2.3 Premium Ratio (2.1/2.2).....	.....%	.....%
2.4 Reserve Numerator.....	\$.....	\$.....
2.5 Reserve Denominator.....	\$.....	\$.....
2.6 Reserve Ratio (2.4/2.5).....	.....%	.....%

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?..... NO
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?..... YES
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?..... NO
- 5.1 Does the reporting entity have stop-loss reinsurance?..... NO
- 5.2 If no, explain:  
Business does not have stop-loss reinsurance
- 5.3 Maximum retained risk (see instructions)
  - 5.31 Comprehensive Medical..... \$
  - 5.32 Medical Only..... \$
  - 5.33 Medicare Supplement..... \$
  - 5.34 Dental and Vision..... \$
  - 5.35 Other Limited Benefit Plan..... \$
  - 5.36 Other..... \$
- 6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
  - 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?..... YES
  - 7.2 If no, give details
- 8. Provide the following information regarding participating providers:
  - 8.1 Number of providers at start of reporting year.....
  - 8.2 Number of providers at end of reporting year.....
- 9.1 Does the reporting entity have business subject to premium rate guarantees?..... NO
- 9.2 If yes, direct premium earned:
  - 9.21 Business with rate guarantees between 15-36 months..... \$
  - 9.22 Business with rate guarantees over 36 months..... \$

**GENERAL INTERROGATORIES**  
PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?..... NO.....
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses..... \$.....
- 10.22 Amount actually paid for year bonuses..... \$.....
- 10.23 Maximum amount payable withholds..... \$.....
- 10.24 Amount actually paid for year withholds..... \$.....
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model,..... NO.....
- 11.13 An Individual Practice Association (IPA), or,..... NO.....
- 11.14 A Mixed Model (combination of above)?..... NO.....
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?..... YES.....
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus..... New York.....
- 11.4 If yes, show the amount required..... \$.....
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity?..... NO.....
- 11.6 If the amount is calculated, show the calculation

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

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

**GENERAL INTERROGATORIES**  
PART 2 - HEALTH INTERROGATORIES

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

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

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

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

- 16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?..... YES.....
- 16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?.....

## FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2025	2024	2023	2022	2021
<b>Balance Sheet (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 28)	39,578,978	38,015,230	36,583,364	40,477,343	42,555,308
2. Total liabilities (Page 3, Line 24)	206,409	624,696	820,118	373,521	3,881,722
3. Statutory minimum capital and surplus requirement				334,945	1,009,990
4. Total capital and surplus (Page 3, Line 33)	39,372,570	37,390,534	35,763,246	40,103,822	38,673,586
<b>Income Statement (Page 4)</b>					
5. Total revenues (Line 8)			(5,678,998)	(868,714)	2,421,627
6. Total medical and hospital expenses (Line 18)			193	(2,742,738)	1,465,516
7. Claims adjustment expenses (Line 20)					
8. Total administrative expenses (Line 21)	356,669	314,324	113,149	372,893	(1,298,405)
9. Net underwriting gain (loss) (Line 24)	(356,669)	(314,324)	(5,792,340)	1,501,131	2,254,516
10. Net investment gain (loss) (Line 27)	1,593,843	1,887,508	1,660,535	54,367	(8,163)
11. Total other income (Lines 28 plus 29)	45,149	(93,746)			
12. Net income or (loss) (Line 32)	1,282,323	1,449,394	(4,428,805)	1,228,843	1,774,635
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11)	823,665	1,430,461	1,180,758	31,640,608	20,412,909
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital	39,372,570	37,390,534	35,763,246	40,103,822	38,673,586
15. Authorized control level risk-based capital	73,800	55,310	67,593	66,989	201,998
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7)					
17. Total members months (Column 6, Line 7)					
<b>Operating Percentage (Page 4)</b> <b>(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0</b>					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)				100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)				315.7	60.5
20. Cost containment expenses					
21. Other claims adjustment expenses					
22. Total underwriting deductions (Line 23)				272.8	6.9
23. Total underwriting gain (loss) (Line 24)				(172.8)	93.1
<b>Unpaid Claims Analysis</b> <b>(U&amp;I Exhibit, Part 2B)</b>					
24. Total claims incurred for prior years (Line 17, Col. 5)			193	(2,742,738)	1,465,588
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]					
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 9 + 15, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 22, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 28, Col. 1)					
29. Affiliated mortgage loans on real estate					
30. All other affiliated					
31. Total of above lines 26 to 30					
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?  
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 & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Plan Premiums	7 Life & Annuity Premiums & Other Considerations	8 Property / Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts
1. Alabama	AL	L								
2. Alaska	AK	L								
3. Arizona	AZ	L								
4. Arkansas	AR	L								
5. California	CA	L								
6. Colorado	CO	L								
7. Connecticut	CT	L								
8. Delaware	DE	L								
9. District of Columbia	DC	L								
10. Florida	FL	N								
11. Georgia	GA	L								
12. Hawaii	HI	L								
13. Idaho	ID	L								
14. Illinois	IL	L								
15. Indiana	IN	L								
16. Iowa	IA	L								
17. Kansas	KS	L								
18. Kentucky	KY	L								
19. Louisiana	LA	L								
20. Maine	ME	L								
21. Maryland	MD	L								
22. Massachusetts	MA	L								
23. Michigan	MI	L								
24. Minnesota	MN	L								
25. Mississippi	MS	L								
26. Missouri	MO	L								
27. Montana	MT	L								
28. Nebraska	NE	L								
29. Nevada	NV	L								
30. New Hampshire	NH	L								
31. New Jersey	NJ	N								
32. New Mexico	NM	L								
33. New York	NY	L								
34. North Carolina	NC	L								
35. North Dakota	ND	L								
36. Ohio	OH	L								
37. Oklahoma	OK	L								
38. Oregon	OR	L								
39. Pennsylvania	PA	L								
40. Rhode Island	RI	L								
41. South Carolina	SC	L								
42. South Dakota	SD	L								
43. Tennessee	TN	L								
44. Texas	TX	L								
45. Utah	UT	L								
46. Vermont	VT	L								
47. Virginia	VA	L								
48. Washington	WA	L								
49. West Virginia	WV	L								
50. Wisconsin	WI	L								
51. Wyoming	WY	L								
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CAN	N								
58. Aggregate other alien	OT	XXX								
59. Subtotal		XXX								
60. Reporting entity contributions for employee benefit plans		XXX								
61. Total (direct business)		XXX								
<b>Details of Write-Ins</b>										
58001.		XXX								
58002.		XXX								
58003.		XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX								
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		XXX								

(a) Active Status Counts

1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	49	4. Q - Qualified - Qualified or accredited reinsurer	-
2. R - Registered - Non-domiciled RRGs	-	5. N - None of the above - Not allowed to write business in the state	8
3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state	-		

(b) Explanation of basis of allocation by states, premiums by state, etc

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

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

	PART 1 - ORGANIZATIONAL CHART		NAIC company code
	FEIN	Domiciliary	
Prime Health Holdings LLC	38-4358504	DE	
Prime Together Foundation	85-3062887	MN	
Prime Landing Insurance Company LLC	87-4334710	VT	
Prime Pharmacy Holdings LLC	88-2206384	DE	
Prime Therapeutics Pharmacy LLC	02-0676924	DE	
Prime Therapeutics LLC	26-0076803	DE	
Magellan Rx Management IPA LLC	81-0997690	NY	
Prime Therapeutics Management LLC	46-3708039	DE	
Prime Therapeutics Pharmacy Solutions LLC	45-5337607	DE	
Prime Therapeutics State Government Solutions LLC	54-0849793	VA	
FHC Inc	Canada	Canada	
Provider Synergies, LLC	31-1597878	OH	
Prime Health Investment LLC	39-2324157	DE	
Ascent Health Services LLC	83-4454479	DE	
Synergie Medication Collective LLC	88-4338512	DE	
Granite Alliance Insurance Company	46-1792156	UT	15100
Merit Health Insurance Company	36-3856181	AZ	18750