



# HEALTH ANNUAL STATEMENT

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

## USable HMO, Inc.

NAIC Group Code 0876 0876 NAIC Company Code 16751 Employer's ID Number 84-4571869  
(Current) (Prior)

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [ ] No [ X ]

Incorporated/Organized 12/18/2019 Commenced Business 01/01/2021

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

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

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

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

Internet Website Address www.arkbluemedicare.com

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

### OFFICERS

President Gray Donald Dillard Secretary Timothy Gerard Gauger  
Treasurer Samuel Patterson Wenger #

### OTHER

Calvin Eugene Kellogg, Chairman of the Board

### DIRECTORS OR TRUSTEES

Gray Donald Dillard Calvin Eugene Kellogg Philip Eugene Sherrill  
Matthew Dennis Vannatta Scott Bradley Winter

State of Arkansas SS  
County of Pulaski

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

Gray Donald Dillard  
President

Samuel Patterson Wenger  
Treasurer

Timothy Gerard Gauger  
Secretary

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

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	29,623,982		29,623,982	14,455,413
2. Stocks (Schedule D):				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ encumbrances) .....			0	0
5. Cash (\$ ..... 43,816,795 , Schedule E - Part 1), cash equivalents (\$ ..... 1,417,869 , Schedule E - Part 2) and short-term investments (\$ ..... 19,858,711 , Schedule DA) .....	65,093,376		65,093,376	66,683,255
6. Contract loans, (including \$ ..... premium notes) .....			0	0
7. Derivatives (Schedule DB) .....			0	0
8. Other invested assets (Schedule BA) .....			0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	94,717,358	0	94,717,358	81,138,669
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	90,817		90,817	48,719
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ ..... 16,175 ) and contracts subject to redetermination (\$ ..... 0 ) .....	79,310	63,134	16,176	355,219
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	9,844,747		9,844,747	9,709,245
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon ....	487,797		487,797	2,216,849
18.2 Net deferred tax asset .....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	19,397		19,397	0
24. Health care (\$ ..... 16,434,423 ) and other amounts receivable .....	10,344,846	1,818,237	8,526,609	5,316,925
25. Aggregate write-ins for other-than-invested assets .....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	115,584,272	1,881,371	113,702,901	98,785,625
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	115,584,272	1,881,371	113,702,901	98,785,625
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... 18,409,599 reinsurance ceded) .....	30,604,291		30,604,291	28,821,567
2. Accrued medical incentive pool and bonus amounts .....	1,227,668		1,227,668	521,449
3. Unpaid claims adjustment expenses.....	1,756,740		1,756,740	1,643,516
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	28,781,665		28,781,665	27,204,547
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance.....	2,279,601		2,279,601	1,694,483
9. General expenses due or accrued.....	1,921,994		1,921,994	1,256,215
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable.....	8,095,005		8,095,005	11,784,453
12. Amounts withheld or retained for the account of others.....	4,543		4,543	0
13. Remittances and items not allocated.....	11,880		11,880	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....	9,246,699		9,246,699	5,354,628
16. Derivatives.....			0	0
17. Payable for securities.....			0	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ .....0 unauthorized reinsurers and \$ .....0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
22. Liability for amounts held under uninsured plans.....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	83,930,086	0	83,930,086	78,280,858
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	46,320,610	46,320,610
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	15,194,259	
29. Surplus notes.....	XXX	XXX	0	
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	(31,742,055)	(25,815,842)
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	29,772,814	20,504,768
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	113,702,900	98,785,626
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	0	0	0	0
2501. ....	XXX	XXX		
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX	636,240	473,454
2. Net premium income ( including \$ ..... non-health premium income) .....	XXX	243,533,180	160,957,653
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	(1,577,118)	(27,204,547)
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX	0	0
5. Risk revenue .....	XXX	0	0
6. Aggregate write-ins for other health care related revenues .....	XXX	0	0
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	241,956,062	133,753,106
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		244,334,628	184,333,570
10. Other professional services .....		3,541,887	4,898,738
11. Outside referrals .....		4,906,524	2,459,200
12. Emergency room and out-of-area .....		24,259,595	12,334,513
13. Prescription drugs .....		109,053,366	68,940,479
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		2,892,724	1,413,820
16. Subtotal (Lines 9 to 15) .....	0	388,988,724	274,380,320
<b>Less:</b>			
17. Net reinsurance recoveries .....		173,260,130	149,598,058
18. Total hospital and medical (Lines 16 minus 17) .....	0	215,728,594	124,782,262
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$ ..... 3,583,943 cost containment expenses ....		3,191,761	6,112,905
21. General administrative expenses .....		30,826,911	17,223,427
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		0	0
23. Total underwriting deductions (Lines 18 through 22).....	0	249,747,266	148,118,594
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(7,791,204)	(14,365,488)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		3,421,783	2,740,250
26. Net realized capital gains (losses) less capital gains tax of \$ .....		2,362	1,138
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	3,424,145	2,741,388
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....			
29. Aggregate write-ins for other income or expenses .....	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	XXX	(4,367,059)	(11,624,100)
31. Federal and foreign income taxes incurred .....	XXX	(89,534)	(2,222,518)
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(4,277,525)	(9,401,582)
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above) .....	XXX	0	0
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above) .....	XXX	0	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above) .....	0	0	0
2901. ....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above) .....	0	0	0

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

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	20,504,768	30,148,992
34. Net income or (loss) from Line 32 .....	(4,277,525)	(9,401,582)
35. Change in valuation basis of aggregate policy and claim reserves .....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	0	0
37. Change in net unrealized foreign exchange capital gain or (loss) .....		
38. Change in net deferred income tax .....	0	(9,957)
39. Change in nonadmitted assets .....	(1,648,685)	(232,686)
40. Change in unauthorized and certified reinsurance .....	0	0
41. Change in treasury stock .....	0	0
42. Change in surplus notes .....	0	0
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in .....	0	0
44.2 Transferred from surplus (stock dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in .....	15,194,259	0
45.2 Transferred to capital (stock dividend) .....		
45.3 Transferred from capital .....		
46. Dividends to stockholders .....		
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0
48. Net change in capital and surplus (Lines 34 to 47) .....	9,268,049	(9,644,225)
49. Capital and surplus end of reporting period (Line 33 plus 48)	29,772,816	20,504,768
<b>DETAILS OF WRITE-INS</b>		
4701. Additional Paid in Capital from USABLE Corporation .....		
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	240,829,439	174,667,181
2. Net investment income .....	3,362,986	2,739,160
3. Miscellaneous income .....	0	0
4. Total (Lines 1 through 3) .....	244,192,425	177,406,341
5. Benefit and loss related payments .....	218,295,069	104,353,653
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	33,239,669	20,436,601
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	(1,818,586)	101,296
10. Total (Lines 5 through 9) .....	249,716,152	124,891,550
11. Net cash from operations (Line 4 minus Line 10) .....	(5,523,728)	52,514,791
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	0	0
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	2,362	1,440
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	2,362	1,440
13. Cost of investments acquired (long-term only exclude cash equivalents and short-term investments):		
13.1 Bonds .....	15,151,870	0
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	15,151,870	0
14. Net increase/(decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(15,149,508)	1,440
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	15,194,259	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied) .....	3,889,097	1,598,255
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	19,083,356	1,598,255
<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) .....	(1,589,880)	54,114,486
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	66,683,256	12,568,769
19.2 End of year (Line 18 plus Line 19.1) .....	65,093,376	66,683,256

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

--	--	--

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USAbLe HMO, Inc.

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income	243,533,180	243,533,180						0						
2. Change in unearned premium reserves and reserve for rate credit	(1,577,118)	(1,577,118)						0						
3. Fee-for-service (net of \$ medical expenses)	0													XXX
4. Risk revenue	0													XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	241,956,062	241,956,062	0	0	0	0	0	0	0	0	0	0	0	0
8. Hospital/medical benefits	244,334,628	127,413,482						116,921,146						XXX
9. Other professional services	3,541,887	0						3,541,887						XXX
10. Outside referrals	4,906,524	4,906,524						0						XXX
11. Emergency room and out-of-area	24,259,595	22,486,415						1,773,180						XXX
12. Prescription drugs	109,053,366	58,029,449						51,023,917						XXX
13. Aggregate write-ins for other hospital and medical incentive pool, withhold adjustments and bonus amounts	2,892,724	2,892,724						0						XXX
15. Subtotal (Lines 8 to 14)	388,988,724	215,728,594	0	0	0	0	0	173,260,130	0	0	0	0	0	XXX
16. Net reinsurance recoveries	173,260,130							173,260,130						XXX
17. Total medical and hospital (Lines 15 minus 16)	215,728,594	215,728,594	0	0	0	0	0	0	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 3,583,943 cost containment expenses	3,191,762	3,191,762												
20. General administrative expenses	30,826,911	30,826,911												
21. Increase in reserves for accident and health contracts	0													XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	249,747,267	249,747,267	0	0	0	0	0	0	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(7,791,205)	(7,791,205)	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS														
0501.														XXX
0502.														XXX
0503.														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.														XXX
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX

**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 .....	243,533,180			243,533,180
2. Comprehensive (hospital and medical) group .....				0
3. Medicare supplement .....				0
4. Vision only .....				0
5. Dental only .....				0
6. Federal employees health benefits plan .....	0			0
7. Title XVIII - Medicare .....	176,915,183		176,915,183	0
8. Title XIX - Medicaid .....	0			0
9. Credit A&H .....				0
10. Disability income .....				0
11. Long-term care .....				0
12. Other health .....				0
13. Health subtotal (Lines 1 through 12) .....	420,448,362	0	176,915,183	243,533,179
14. Life .....	0			0
15. Property/casualty .....	0			0
16. Totals (Lines 13 to 15)	420,448,362	0	176,915,183	243,533,179

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USAbLe HMO, Inc.

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct .....	390,477,948	216,005,710						174,472,238						
1.2 Reinsurance assumed .....	0													
1.3 Reinsurance ceded .....	174,336,736							174,336,736						
1.4 Net .....	216,141,212	216,005,710	0	0	0	0	0	135,502	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses .....	2,186,505	2,186,505												
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct .....	49,013,890	30,604,291	0	0	0	0	0	18,409,599	0	0	0	0	0	0
3.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	18,409,599	0	0	0	0	0	0	18,409,599	0	0	0	0	0	0
3.4 Net .....	30,604,291	30,604,291	0	0	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct .....	0													
4.2 Reinsurance assumed .....	0													
4.3 Reinsurance ceded .....	0													
4.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year .....	1,227,668	1,227,668												
6. Net health care receivables (a) .....	4,952,564	4,952,564												
7. Amounts recoverable from reinsurers December 31, current year .....	9,844,747							9,844,747						
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct .....	48,443,274	28,821,567	0	0	0	0	0	19,621,707	0	0	0	0	0	0
8.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded .....	19,621,707	0	0	0	0	0	0	19,621,707	0	0	0	0	0	0
8.4 Net .....	28,821,567	28,821,567	0	0	0	0	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct .....	0													
9.2 Reinsurance assumed .....	0													
9.3 Reinsurance ceded .....	0													
9.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year .....	521,448	521,448												
11. Amounts recoverable from reinsurers December 31, prior year .....	9,709,245							9,709,245						
12. Incurred Benefits:														
12.1 Direct .....	386,096,000	212,835,870	0	0	0	0	0	173,260,130	0	0	0	0	0	0
12.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded .....	173,260,130	0	0	0	0	0	0	173,260,130	0	0	0	0	0	0
12.4 Net .....	212,835,870	212,835,870	0	0	0	0	0	1	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses .....	2,892,725	2,892,725	0	0	0	0	0	0	0	0	0	0	0	0

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

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct .....	9,298,269	3,767,698						5,530,571						
1.2 Reinsurance assumed .....	0													
1.3 Reinsurance ceded .....	5,530,571							5,530,571						
1.4 Net .....	3,767,698	3,767,698	0	0	0	0	0	0	0	0	0	0	0	0
2. Incurred but Unreported:														
2.1 Direct .....	39,715,621	26,836,593						12,879,028						
2.2 Reinsurance assumed .....	0													
2.3 Reinsurance ceded .....	12,879,028							12,879,028						
2.4 Net .....	26,836,593	26,836,593	0	0	0	0	0	0	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct .....	0													
3.2 Reinsurance assumed .....	0													
3.3 Reinsurance ceded .....	0							0						
3.4 Net .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:														
4.1 Direct .....	49,013,890	30,604,291	0	0	0	0	0	18,409,599	0	0	0	0	0	0
4.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded .....	18,409,599	0	0	0	0	0	0	18,409,599	0	0	0	0	0	0
4.4 Net .....	30,604,291	30,604,291	0	0	0	0	0	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual .....	25,762,961	195,614,323	(1,685,587)	32,289,878	24,077,373	28,821,567
2. Comprehensive (hospital and medical) group .....	0	0	0	0	0	0
3. Medicare supplement .....	0	0	0	0	0	0
4. Vision only .....	0	0	0	0	0	0
5. Dental only .....	0	0	0	0	0	0
6. Federal employees health benefits plan .....	0	0	0	0	0	0
7. Title XVIII - Medicare .....	0	0	0	0	0	0
8. Title XIX - Medicaid .....	0	0	0	0	0	0
9. Credit A&H .....	0	0	0	0	0	0
10. Disability income .....	0	0	0	0	0	0
11. Long-term care .....	0	0	0	0	0	0
12. Other health .....	0	0	0	0	0	0
13. Health subtotal (Lines 1 to 12) .....	25,762,961	195,614,323	(1,685,587)	32,289,878	24,077,373	28,821,567
14. Health care receivables (a) .....	0	10,324,138	0	0	0	0
15. Other non-health .....	0	0	0	0	0	0
16. Medical incentive pools and bonus amounts .....	437,592	1,748,913	3,610	1,224,058	441,202	521,448
17. Totals (Lines 13 - 14 + 15 + 16)	26,200,553	187,039,098	(1,681,977)	33,513,936	24,518,575	29,343,015

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USAble HMO, Inc.

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**

(\$000 Omitted)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior .....	0	0	0	0	
2. 2021 .....					
3. 2022 .....	XXX				
4. 2023 .....	XXX	XXX			
5. 2024 .....	XXX	XXX	XXX	99,918	125,681
6. 2025 .....	XXX	XXX	XXX	XXX	195,614

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior .....	0	0	0	0	
2. 2021 .....					
3. 2022 .....	XXX				
4. 2023 .....	XXX	XXX			
5. 2024 .....	XXX	XXX	XXX	128,740	123,996
6. 2025 .....	XXX	XXX	XXX	XXX	227,904

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021 .....				0.0	0	0.0			0	0.0
2. 2022 .....				0.0	0	0.0			0	0.0
3. 2023 .....				0.0	0	0.0			0	0.0
4. 2024 .....	133,753			0.0	0	0.0	(1,682)	(93)	(1,775)	(1.3)
5. 2025 .....	241,956	195,614	3,192	1.6	198,806	82.2	33,514	1,850	234,170	96.8

12.HM

## UNDERWRITING AND INVESTMENT EXHIBIT

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

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

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2021	2 2022	3 2023	4 2024	5 2025
1.	Prior .....	0	0	0	0	
2.	2021 .....	37,127,188				
3.	2022 .....	XXX				
4.	2023 .....	XXX	XXX			
5.	2024 .....	XXX	XXX	XXX		
6.	2025 .....	XXX	XXX	XXX	XXX	

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

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2021	2 2022	3 2023	4 2024	5 2025
1.	Prior .....	0	0	0	0	
2.	2021 .....	45,638,677				
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 - Title XVIII**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021 .....	42,314			0.0	0	0.0			0	0.0
2. 2022 .....				0.0	0	0.0			0	0.0
3. 2023 .....				0.0	0	0.0			0	0.0
4. 2024 .....				0.0	0	0.0			0	0.0
5. 2025 .....				0.0	0	0.0			0	0.0

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

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

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2021	2 2022	3 2023	4 2024	5 2025
1.	Prior .....	0	0	0	0	0
2.	2021 .....	37,127,188	0	0	0	0
3.	2022 .....	XXX	0	0	0	0
4.	2023 .....	XXX	XXX	0	0	0
5.	2024 .....	XXX	XXX	XXX	99,918	125,681
6.	2025 .....	XXX	XXX	XXX	XXX	195,614

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

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2021	2 2022	3 2023	4 2024	5 2025
1.	Prior .....	0	0	0	0	0
2.	2021 .....	45,638,677	0	0	0	0
3.	2022 .....	XXX	0	0	0	0
4.	2023 .....	XXX	XXX	0	0	0
5.	2024 .....	XXX	XXX	XXX	128,740	123,996
6.	2025 .....	XXX	XXX	XXX	XXX	227,904

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021 .....	42,314	0	0	0.0	0	0.0	0	0	0	0.0
2. 2022 .....	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2023 .....	0	0	0	0.0	0	0.0	0	0	0	0.0
4. 2024 .....	133,753	0	0	0.0	0	0.0	(1,682)	(93)	(1,775)	(1.3)
5. 2025 .....	241,956	195,614	3,192	1.6	198,806	82.2	33,514	1,850	234,170	96.8

12.GT

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves .....	0												
2. Additional policy reserves (a) .....	0												
3. Reserve for future contingent benefits .....	0												
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) ..	37,387,866	28,781,665						8,606,201					
5. Aggregate write-ins for other policy reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Totals (gross) .....	37,387,866	28,781,665	0	0	0	0	0	8,606,201	0	0	0	0	0
7. Reinsurance ceded .....	8,606,201							8,606,201					
8. Totals (Net)(Page 3, Line 4) .....	28,781,665	28,781,665	0	0	0	0	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims .....	0												
10. Reserve for future contingent benefits .....	0												
11. Aggregate write-ins for other claim reserves .....	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross) .....	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded .....	0												
14. Totals (Net)(Page 3, Line 7) .....	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. ....													
0502. ....													
0503. ....													
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0	0	0	0	0	0	0	0	0	0	0	0
1101. ....													
1102. ....													
1103. ....													
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0	0	0	0	0	0	0	0	0	0

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

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

**PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ ..... for occupancy of own building) .....	62,228	10,834	464,585		537,647
2. Salary, wages and other benefits .....	8,309,507	1,097,445	15,473,671		24,880,623
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....			4,791,060		4,791,060
4. Legal fees and expenses .....	189	23	144,326		144,538
5. Certifications and accreditation fees .....					0
6. Auditing, actuarial and other consulting services ... ..	124,269		879,776		1,004,045
7. Traveling expenses .....	31,385	1,014	128,783		161,182
8. Marketing and advertising .....	714		610,665		611,380
9. Postage, express and telephone .....	56,129	181,746	714,895		952,770
10. Printing and office supplies .....	22,944	102,035	734,111		859,091
11. Occupancy, depreciation and amortization .....	182,770	32,795	256,373		471,939
12. Equipment .....	24,336	4,309	51,973		80,617
13. Cost or depreciation of EDP equipment and software .....	1,090,767	70,643	3,959,682		5,121,092
14. Outsourced services including EDP, claims, and other services .....	4,776,985	(3,235,632)	7,062,942	8,507	8,612,802
15. Boards, bureaus and association fees .....	8,833	34	171,158		180,026
16. Insurance, except on real estate .....	61,470	8,860	229,500		299,830
17. Collection and bank service charges .....			618,567		618,567
18. Group service and administration fees .....	264,756				264,756
19. Reimbursements by uninsured plans .....					0
20. Reimbursements from fiscal intermediaries .....		1,003			1,003
21. Real estate expenses .....	108,277	19,133	316,034		443,445
22. Real estate taxes .....	10,864	1,955	16,475		29,294
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....	254		385,771		386,025
23.2 State premium taxes .....			6,627,915		6,627,915
23.3 Regulatory authority licenses and fees .....	48		550,050		550,098
23.4 Payroll taxes .....	425,454	55,975	682,569		1,163,999
23.5 Other (excluding federal income and real estate taxes) .....	1,461	290	17,006		18,757
24. Investment expenses not included elsewhere .....					0
25. Aggregate write-ins for expenses .....	(11,979,699)	1,255,356	(14,060,978)	0	(24,785,321)
26. Total expenses incurred (Lines 1 to 25) .....	3,583,943	(392,181)	30,826,911	8,507	(a) 34,027,179
27. Less expenses unpaid December 31, current year .....		1,756,740	1,921,994		3,678,734
28. Add expenses unpaid December 31, prior year .....		1,643,516	1,256,215		2,899,731
29. Amounts receivable relating to uninsured plans, prior year .....			0		0
30. Amounts receivable relating to uninsured plans, current year .....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	3,583,943	(505,406)	30,161,132	8,507	33,248,176
<b>DETAILS OF WRITE-INS</b>					
2501. Contributions .....	581		113,235		113,816
2502. Bad debt expense .....			262,406		262,406
2503. User Exchange Fee .....			1,852,104		1,852,104
2598. Summary of remaining write-ins for Line 25 from overflow page .....	(11,980,280)	1,255,356	(16,288,723)	0	(27,013,647)
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	(11,979,699)	1,255,356	(14,060,978)	0	(24,785,321)

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**EXHIBIT OF NET INVESTMENT INCOME**

	1	2
	Collected During Year	Earned During Year
1. U.S. government bonds .....	(a) ..... 300,559	..... 345,839
1.1 Bonds exempt from U.S. tax .....	(a) .....	.....
1.2 Other bonds (unaffiliated) .....	(a) ..... 0	..... 0
1.3 Bonds of affiliates .....	(a) ..... 0	..... 0
2.1 Preferred stocks (unaffiliated) .....	(b) ..... 0	..... 0
2.11 Preferred stocks of affiliates .....	(b) ..... 0	..... 0
2.2 Common stocks (unaffiliated) .....	..... 0	..... 0
2.21 Common stocks of affiliates .....	..... 0	..... 0
3. Mortgage loans .....	(c) ..... 0	..... 0
4. Real estate .....	(d) ..... 0	..... 0
5. Contract Loans .....	..... 0	..... 0
6. Cash, cash equivalents and short-term investments .....	(e) ..... 3,087,632	..... 3,084,451
7. Derivative instruments .....	(f) ..... 0	..... 0
8. Other invested assets .....	..... 0	..... 0
9. Aggregate write-ins for investment income .....	..... 0	..... 0
10. Total gross investment income .....	3,388,191	3,430,290
11. Investment expenses .....		(g) ..... 8,507
12. Investment taxes, licenses and fees, excluding federal income taxes .....		(g) ..... 0
13. Interest expense .....		(h) ..... 0
14. Depreciation on real estate and other invested assets .....		(i) ..... 0
15. Aggregate write-ins for deductions from investment income .....		..... 0
16. Total deductions (Lines 11 through 15) .....		..... 8,507
17. Net investment income (Line 10 minus Line 16)		3,421,783
<b>DETAILS OF WRITE-INS</b>		
0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page .....		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ ..... 16,699 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 42,390 paid for accrued interest on purchases.
- (b) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 0 paid for accrued dividends on purchases.
- (c) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 0 paid for accrued interest on purchases.
- (d) Includes \$ ..... 0 for company's occupancy of its own buildings; and excludes \$ ..... 0 interest on encumbrances.
- (e) Includes \$ ..... 164,444 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 0 paid for accrued interest on purchases.
- (f) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium.
- (g) Includes \$ ..... 0 investment expenses and \$ ..... 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ ..... 0 interest on surplus notes and \$ ..... 0 interest on capital notes.
- (i) Includes \$ ..... 0 depreciation on real estate and \$ ..... 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	0	0	0	0	0
1.1 Bonds exempt from U.S. tax .....					
1.2 Other bonds (unaffiliated) .....	0	0	0	0	0
1.3 Bonds of affiliates .....	0	0	0	0	0
2.1 Preferred stocks (unaffiliated) .....	0	0	0	0	0
2.11 Preferred stocks of affiliates .....	0	0	0	0	0
2.2 Common stocks (unaffiliated) .....	0	0	0	0	0
2.21 Common stocks of affiliates .....	0	0	0	0	0
3. Mortgage loans .....	0	0	0	0	0
4. Real estate .....	0	0	0	0	0
5. Contract loans .....	0	0	0	0	0
6. Cash, cash equivalents and short-term investments .....	2,362	0	2,362	0	0
7. Derivative instruments .....	0	0	0	0	0
8. Other invested assets .....	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses) .....	0	0	0	0	0
10. Total capital gains (losses)	2,362	0	2,362	0	0
<b>DETAILS OF WRITE-INS</b>					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**EXHIBIT OF NON-ADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			0
2.2 Common stocks .....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale .....			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....			0
6. Contract loans .....			0
7. Derivatives (Schedule DB) .....			0
8. Other invested assets (Schedule BA) .....			0
9. Receivables for securities .....			0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only) .....			0
14. Investment income due and accrued .....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..			0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	63,134	124,681	61,547
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			0
16.2 Funds held by or deposited with reinsured companies .....			0
16.3 Other amounts receivable under reinsurance contracts .....			0
17. Amounts receivable relating to uninsured plans .....			0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0
18.2 Net deferred tax asset .....			0
19. Guaranty funds receivable or on deposit .....			0
20. Electronic data processing equipment and software .....			0
21. Furniture and equipment, including health care delivery assets .....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0
23. Receivable from parent, subsidiaries and affiliates .....			0
24. Health care and other amounts receivable .....	1,818,237	108,005	(1,710,232)
25. Aggregate write-ins for other-than-invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,881,371	232,686	(1,648,685)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0
28. Total (Lines 26 and 27)	1,881,371	232,686	(1,648,685)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0

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

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations .....	13,641	13,368	13,370	13,367	13,324	160,218
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....						
4. Point of Service .....	30,361	39,954	40,447	40,163	39,306	476,022
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total	44,002	53,322	53,817	53,530	52,630	636,240
<b>DETAILS OF WRITE-INS</b>						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

**NOTES TO FINANCIAL STATEMENTS**

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

**A. Accounting Practices**

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

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

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

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2025</u>	<u>2024</u>
<b>NET INCOME</b>					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (4,277,525)	\$ (9,401,582)
(2) State Prescribed Practices that are an increase/ (decrease) from NAIC SAP:					
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ (4,277,525)	\$ (9,401,582)
<b>SURPLUS</b>					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 29,772,814	\$ 20,504,768
(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	\$ 29,772,814	\$ 20,504,768

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

## NOTES TO FINANCIAL STATEMENTS

### C. Accounting Policy

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

In addition, the Company uses the following accounting policies:

- (1) **Basis for Short-Term Investments**  
Short-term investments are stated at amortized cost.
- (2) **Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method**  
Bonds not backed by other loans are stated at amortized cost using the effective interest method.
- (3) **Basis for Common Stocks**  
The Company does not have common stock.
- (4) **Basis for Preferred Stocks**  
The Company does not have preferred stock.
- (5) **Basis for Mortgage Loans**  
The Company does not have mortgage loans.
- (6) **Basis for Asset-Backed Securities and Adjustment Methodology**  
The Company does not have asset-backed securities.
- (7) **Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities**  
The Company does not have any investments in subsidiaries, controlled, or affiliated entities.
- (8) **Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities**  
The Company does not have any investments in joint ventures, partnerships and limited liabilities entities.
- (9) **Accounting Policies for Derivatives**  
The Company does not have any derivatives.
- (10) **Anticipated Investment Income Used in Premium Deficiency Calculation**  
The Company includes anticipated investment income as a factor in the premium deficiency calculation.
- (11) **Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses**

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

- (a) **Aggregate Method:** 12 months of paid claims are subtracted from 12 months of estimated incurred claims to get the liability estimate.
- (b) **3 Month Average Method:** For the base liability estimate, the average liability of the third, fourth, and fifth month prior to the current month is used. Adjustments are made for trend, membership change, and backlog to determine the current month's estimate of liability.
- (c) **Previous Year's IBNR Method:** This method is similar to the Three Month Average Method, except that the actual reserve from one year ago is used as the base estimate of liability. This is projected forward using adjustments for trend, membership change, and backlog.
- (d) **CY Lag Method:** This method calculates completion factors by incurred year. Completion factors used for the current year are based on the previous year's experience. Completion factors for the most recent 3 years are set manually.
- (e) **12 Month CF Method:** This method is identical to the CY Lag Method, except that historical completion factors are based on 12 months of rolling data.

- (12) **Changes in the Capitalization Policy and Predefined Thresholds from Prior Period**  
The Company has not modified its capitalization policy from the prior period.

- (13) **Method Used to Estimate Pharmaceutical Rebate Receivables**  
Pharmacy rebate receivables are estimated based upon the following methods: prior quarter's invoiced amounts, estimates provided by the Pharmacy Benefit Manager, or estimates using a percentage of year-to-date estimates from the Pharmacy Benefit Manager to year-to-date allowed claims.

### D. Going Concern

Management has evaluated the Company's ability to continue as a going concern as of December 31, 2025. Management has concluded that there is not substantial doubt that the Company can continue as a going concern, therefore, there are no policies in place to alleviate such situations.

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

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

#### NOTE 3 Business Combinations and Goodwill

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

#### NOTE 4 Discontinued Operations

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



**NOTES TO FINANCIAL STATEMENTS**

K. Investments in Tax Credit Structures (tax credit investments)

Not Applicable -The Company did not have investments in low-income housing tax credits (LIHTC) during the reporting periods.

L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Non- admitted) Restricted from Current Year	2 Total Gross (Admitted & Non- admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Non- admitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Non- admitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown			\$ -		\$ -	0.000%	0.000%
b. Collateral held under security lending agreements			\$ -		\$ -	0.000%	0.000%
c. Subject to repurchase agreements			\$ -		\$ -	0.000%	0.000%
d. Subject to reverse repurchase agreements			\$ -		\$ -	0.000%	0.000%
e. Subject to dollar repurchase agreements			\$ -		\$ -	0.000%	0.000%
f. Subject to dollar reverse repurchase agreements			\$ -		\$ -	0.000%	0.000%
g. Placed under option contracts			\$ -		\$ -	0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock			\$ -		\$ -	0.000%	0.000%
i. FHLB capital stock			\$ -		\$ -	0.000%	0.000%
j. On deposit with states	\$ 324,341	\$ 324,001	\$ 340		\$ 324,341	0.281%	0.285%
k. On deposit with other regulatory bodies			\$ -		\$ -	0.000%	0.000%
l. Pledged collateral to FHLB (including assets backing funding agreements)			\$ -		\$ -	0.000%	0.000%
m. Pledged as collateral not captured in other categories			\$ -		\$ -	0.000%	0.000%
n. Other restricted assets			\$ -		\$ -	0.000%	0.000%
o. Collateral assets received and on balance sheet			\$ -		\$ -	0.000%	0.000%
p. Assets held under modco reinsurance agreements			\$ -		\$ -	0.000%	0.000%
q. Assets held under funds withheld reinsurance agreements			\$ -		\$ -	0.000%	0.000%
r. Total restricted assets (Sum of a through q)	\$ 324,341	\$ 324,001	\$ 340	\$ -	\$ 324,341	0.281%	0.285%

Restricted Asset Category	8 Amount Reported in General Interrogatories	9 Difference from Note and GI	10 GI Ref
a. Subject to contractual obligation for which liability is not shown	XXX	XXX	XXX
b. Collateral held under security lending agreements	\$ -	\$ -	25.04 + 25.05
c. Subject to repurchase agreements	\$ -	\$ -	26.21
d. Subject to reverse repurchase agreements	\$ -	\$ -	26.22
e. Subject to dollar repurchase agreements	\$ -	\$ -	26.23
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	26.24
g. Placed under option contracts	\$ -	\$ -	26.25
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	26.26
i. FHLB capital stock	\$ -	\$ -	26.27
j. On deposit with states	\$ 324,341	\$ -	26.28
k. On deposit with other regulatory bodies	\$ -	\$ -	26.29
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	26.31
m. Pledged as collateral not captured in other categories	\$ -	\$ -	26.30
n. Other restricted assets	\$ -	\$ -	26.32
o. Collateral assets received and on balance sheet	XXX	XXX	XXX
p. Assets held under modco reinsurance agreements	XXX	XXX	XXX
q. Assets held under funds withheld reinsurance agreements	XXX	XXX	XXX
r. Total restricted assets (Sum of a through q)	XXX	XXX	XXX

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

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

**NOTES TO FINANCIAL STATEMENTS**

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

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance (excluding Modco/FWH) and Derivatives, Are Reported in the Aggregate)

Description of Assets	1 Total Gross (Admitted & Non-admitted) Restricted from Current Year	2 Total Gross (Admitted & Non-admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Non-admitted) Restricted to Total Assets	6 Admitted Restricted to Total Admitted Assets
Total (a)	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
Amount of Total pledged under derivative contracts			\$ -	\$ -	XXX	XXX
Total Excluding Derivative Collateral (Total minus Amt of Total pledged under derivative contracts)			\$ -	\$ -	XXX	XXX

(a) Total Line for Columns 1 through 3 should equal 5L(1)m Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)m Column 5.

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

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

(a) Total Line for Columns 1 through 3 should equal 5L(1)n Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)n Column 5.

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

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

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

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

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

Q. Prepayment Penalty and Acceleration Fees

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

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

S. Aggregate Collateral Loans by Qualifying Investment Collateral  
Not Applicable -The Company did not participate in an aggregate collateral loan during the reporting periods.

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

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

B. Impaired Investments in Joint Ventures, Partnerships and Limited Liability Companies  
Not Applicable -The Company did not have investments in joint ventures, partnerships or limited liabilities companies during the reporting periods.

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 7 Investment Income**

- A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:  
All investment income due and accrued is included in investment income
- B. The total amount excluded was -0- for the years ending 2025 and 2024.
- C. The gross, nonadmitted and admitted amounts for interest income due and accrued.

	Amount
Interest Income Due and Accrued	
1. Gross	\$ 90,817
2. Nonadmitted	\$ -
3. Admitted	\$ 90,817

- D. The aggregate deferred interest.

	Amount
Aggregate Deferred Interest	\$ -

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

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

**NOTE 8 Derivative Instruments**

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

**NOTE 9 Income Taxes**

- A. The components of the net deferred tax asset/(liability) at the end of current period are as follows:  
1.

	As of End of Current Period			12/31/2024			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$ 1,902,980	\$ -	\$ 1,902,980	\$ 302,697	\$ -	\$ 302,697	\$ 1,600,283	\$ -	\$ 1,600,283
(b) Statutory Valuation Allowance Adjustment	\$ 1,831,962	\$ -	\$ 1,831,962	\$ 282,970	\$ -	\$ 282,970	\$ 1,548,992	\$ -	\$ 1,548,992
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 71,018	\$ -	\$ 71,018	\$ 19,727	\$ -	\$ 19,727	\$ 51,291	\$ -	\$ 51,291
(d) Deferred Tax Assets Nonadmitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 71,018	\$ -	\$ 71,018	\$ 19,727	\$ -	\$ 19,727	\$ 51,291	\$ -	\$ 51,291
(f) Deferred Tax Liabilities	\$ 71,018	\$ -	\$ 71,018	\$ 19,727	\$ -	\$ 19,727	\$ 51,291	\$ -	\$ 51,291
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	As of End of Current Period			12/31/2024			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ -	XXX	XXX	\$ -	XXX	XXX	\$ -
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

3. Other Admissibility Criteria

	2025	2024
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	4264.221%	335.696%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 25,777,043	\$ 20,504,768

**NOTES TO FINANCIAL STATEMENTS**

4. Impact of Tax Planning Strategies

	As of End of Current Period		12/31/2024		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col. 1 - 3) Ordinary	(6) (Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1 (c)	\$ 71,018	\$ -	\$ 19,727	\$ -	\$ 51,291	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 71,018	\$ -	\$ 19,727	\$ -	\$ 51,291	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

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

B. Deferred Tax Liabilities Not Recognized

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

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

	(1) As of End of Current Period	(2) 12/31/2024	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 295,329	\$ (2,217,152)	\$ 2,512,481
(b) Foreign	\$ -	\$ -	\$ -
(c) Subtotal (1a+1b)	\$ 295,329	\$ (2,217,152)	\$ 2,512,481
(d) Federal income tax on net capital gains	\$ 496	\$ 302	\$ 194
(e) Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
(f) Other	\$ -	\$ (5,367)	\$ 5,367
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 295,825	\$ (2,222,217)	\$ 2,518,042
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 122,769	\$ 101,791	\$ 20,978
(2) Unearned premium reserve	\$ 95,743	\$ 108,448	\$ (12,705)
(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	\$ 395,088	\$ 48,864	\$ 346,224
(11) Net operating loss carry-forward	\$ 1,171,578	\$ -	\$ 1,171,578
(12) Tax credit carry-forward	\$ -	\$ -	\$ -
(13) Other	\$ 117,802	\$ 43,594	\$ 74,208
(99) Subtotal (sum of 2a1 through 2a13)	\$ 1,902,980	\$ 302,697	\$ 1,600,283
(b) Statutory valuation allowance adjustment	\$ 1,831,962	\$ 282,970	\$ 1,548,992
(c) Nonadmitted	\$ -	\$ -	\$ -
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 71,018	\$ 19,727	\$ 51,291
(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)	\$ 71,018	\$ 19,727	\$ 51,291
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ -	\$ -	\$ -
(2) Fixed assets	\$ -	\$ -	\$ -
(3) Deferred and uncollected premium	\$ -	\$ -	\$ -
(4) Policyholder reserves	\$ -	\$ -	\$ -
(5) Other	\$ 71,018	\$ 19,727	\$ 51,291
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 71,018	\$ 19,727	\$ 51,291
(b) Capital:			
(1) Investments	\$ -	\$ -	\$ -
(2) Real estate	\$ -	\$ -	\$ -
(3) Other	\$ -	\$ -	\$ -
(99) Subtotal (3b1+3b2+3b3)	\$ -	\$ -	\$ -
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 71,018	\$ 19,727	\$ 51,291
4. Net deferred tax assets/liabilities (2i - 3c)	\$ -	\$ -	\$ -

**NOTES TO FINANCIAL STATEMENTS**

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

	Amount 12/31/2025	Effective Tax Rate Percentage
<b>Permanent Differences:</b>		
1. Provision computed at statutory rate	\$ (917,083)	21.00%
2. Change in nonadmitted assets	\$ (346,224)	7.93%
3. Proration of tax exempt investment income	\$ -	0.00%
4. Tax exempt income deduction	\$ -	0.00%
5. Dividends received deduction	\$ -	0.00%
6. Disallowed travel and entertainment	\$ -	0.00%
7. Other permanent differences	\$ 4,773	-0.11%
<b>Temporary Differences:</b>		
8. Total ordinary DTAs	\$ -	0.00%
9. Total ordinary DTLs	\$ -	0.00%
10. Total capital DTAs	\$ -	0.00%
11. Total capital DTLs	\$ -	0.00%
<b>Other:</b>		
12. Statutory valuation allowance adjustment	\$ 1,548,992	-35.47%
13. Accrual adjustment - prior year	\$ 5,367	-0.12%
14. Other		
15. Totals	<u>\$ 295,825</u>	<u>-6.77%</u>
16. Federal and foreign income taxes incurred	\$ 295,825	
17. Realized capital gain (losses) tax	\$ 496	
18. Change in net deferred income taxes	\$ -	
19. Total statutory income taxes	<u>\$ 295,825</u>	

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

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

Description	Amount	Origination Date	Expiration Date
Net Operating Losses	2,048,205	12/31/2024	12/31/2044
Net Operating Losses	3,530,738	12/31/2025	12/31/2045

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

Year	Amounts
2025	None
2024	None

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

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:

USABLE Mutual Insurance Company, USABLE Corporation, Groups Service Underwriters Inc., USABLE Partners LLC, USABLE HMO, Inc. and USABLE PPO Insurance Company.

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:

The method of allocating federal income tax among the companies is subject to a written agreement, approved by the required authorized officers. The method of allocation is in accordance with Treasury Regulation section 1.1502-33(d)(2)(i) whereby profitable companies pay tax on their separate company taxable liability and loss companies are reimbursed in the year such losses are utilized to offset the consolidated tax liability.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

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

H. Repatriation Transition Tax (RTT)

The Company does not owe RTT.

I. Alternative Minimum Tax (AMT) Credit

The consolidated group, of which the Company is a member, has determined it is not an "applicable corporation" for the purposes the Corporate Alternative Minimum Tax. The Company has no AMT credit carryforwards.

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

## NOTES TO FINANCIAL STATEMENTS

**NOTE 10 Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**
**A. Nature of the Relationship Involved**

USABLE Mutual Insurance Company, d/b/a Arkansas Blue Cross Blue Shield, owns 100% of USABLE Corporation, 50% of HMO Partners, Inc, and 20% of Partnership for a Healthy Arkansas, LLC (PHA). PHA is still a legal entity, however the capital has been returned to the partners and current equity is zero. The Company also owns 35.49% of Life & Specialty Ventures, LLC (LSV, LLC). LSV, LLC is the ultimate controlling party of Life & Specialty Ventures, LLC GRP (Group # 5050) and owns 100% of both USABLE Life (NAIC #94358) and LifeMap Assurance Company (NAIC #97985).

As of December 31, 2025, USABLE Corporation owns 100% of Group Service Underwriters, Inc., d/b/a Pinnacle Insurance Associates, 100% of USABLE Partners, LLC, 100% USABLE HMO, Inc. d/b/a Arkansas Blue Medicare, and 100% USABLE PPO Insurance Company d/b/a Arkansas Blue Medicare Plus, and 10% of NDBH Holding Company LLC, d/b/a New Directions Behavioral Health and Lucet.

**B. Transactions**

Not applicable - The Company did not have material, non-insurance transactions with related parties during the reporting periods.

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

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

**D. Amounts Due From or To Related Parties**

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

	2025	2024
HMO Partners, Inc.	19,397	-
USABLE Mutual Insurance Company	-	-
	<u>19,397</u>	<u>\$ -</u>

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

	2025	2024
HMO Partners, Inc.	-	-
USABLE Mutual Insurance Company	9,243,575	5,354,628
	<u>\$ 9,243,575</u>	<u>\$ 5,354,628</u>

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

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

**F. Guarantees or Undertakings**

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

**G. Nature of the Control Relationship**

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

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

Not Applicable - The Company had no amount deducted.

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

Not Applicable - The Company did not have any SCA investments during the reporting periods.

**J. Investments in Impaired SCAs**

Not Applicable - The Company did not have any SCA investments during the reporting periods.

**K. Investment in Foreign Insurance Subsidiary**

Not Applicable - The Company did not have an investment in a foreign insurance subsidiary during the reporting periods.

**L. Investment in Downstream Noninsurance Holding Company**

Not Applicable - The Company did not have an investment in a downstream noninsurance holding company during the reporting periods.

**M. All SCA Investments**

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

**O. SCA or SSAP 48 Entity Loss Tracking**

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

**NOTE 11 Debt**
**A. Debt Including Capital Notes**

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

**B. FHLB (Federal Home Loan Bank) Agreements**

Not Applicable - For the years ended December 31, 2025 and December 31, 2024, the Company did not have FHLB agreements.

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

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

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

Not Applicable - The Company does not have any employees.

**NOTES TO FINANCIAL STATEMENTS**

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

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

As of December 31, 2025, the Company had 100,000 common stock shares authorized, 50,000 common stock shares issued and 50,000 shares outstanding at \$1,000 par value.

During the year ended December 31, 2025, the Company received a capital contribution of \$15,194,260 from its parent, which was recorded as additional paid in capital. The contribution did not result in the issuance of additional shares and was made to support the Company's capital and surplus position.

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

Not Applicable - The Company did not have preferred stock issued and outstanding during the reporting periods.

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

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

**D. Dates and Amounts of Dividends Paid**

The Company did not pay dividends in 2025 or 2024.

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

All unassigned surplus is held for stockholders.

**F. Restrictions Placed on Unassigned Funds (Surplus)**

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

**G. Amount of Advances to Surplus not Repaid**

Not Applicable - The Company did not have any advances to surplus for 2025 or 2024.

**H. Amount of Stock Held for Special Purposes**

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

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

The Company has no special surplus funds as of December 31, 2025 or December 31, 2024.

**J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is**

**K. The Company issued the following surplus debentures or similar obligations:**

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

1 Item Number	2 Date Issued	3 Interest Rate	4 Original Issue Amount of Note	5 Is Surplus Note Holder a Related Party (Y/N)	6 Carrying Value of Note Prior Year	7 Carrying Value of Note Current Year*	8 Unapproved Interest And/Or Principal
Total	XXX	XXX	\$ -	XXX	\$ -	\$ -	\$ -

\* Total should agree with Page 3, Line 29.

1 Item Number	9 Current Year Interest Expense Recognized	10 Life-To-Date Interest Expense Recognized	11 Current Year Interest Offset Percentage (not including amounts paid to a 3rd party liquidity provider)	12 Current Year Principal Paid	13 Life-To-Date Principal Paid	14 Date of Maturity
Total	\$ -	\$ -	XXX	\$ -	\$ -	XXX

1 Item Number	15 Are Surplus Note Payments Contractually Linked? (Y/N)	16 Surplus Note Payments Subject to Administrative Offsetting Provisions? (Y/N)	17 Were Surplus Note Proceeds Used to Purchase an Asset Directly From the Holder of the Surplus Note? (Y/N)	18 Is Asset Issuer a Related Party (Y/N)	19 Type of Assets Received Upon Issuance
Total	XXX	XXX	XXX	XXX	XXX

1 Item Number	20 Principal Amount of Assets Received Upon Issuance	21 Book/Adjusted Carry Value of Assets	22 Is Liquidity Source a Related Party to the Surplus Note Issuer? (Y/N)
Total	\$ -	\$ -	XXX

**NOTES TO FINANCIAL STATEMENTS**

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

Change in Year Surplus	Change in Gross Paid-in and Contributed Surplus
---------------------------	--

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

**NOTE 14 Liabilities, Contingencies and Assessments**

- A. Contingent Commitments  
Not Applicable - The Company did not have any contingent commitments as of December 31, 2025 or December 31, 2024.
- B. Assessments  
Not Applicable
- C. Gain Contingencies  
Not Applicable
- D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits  
Not Applicable
- E. Joint and Several Liabilities  
Not Applicable
- F. All Other Contingencies  
Not Applicable

**NOTE 15 Leases**  
Not Applicable - The Company did not have any leases during the reporting periods.

**NOTE 16 Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**  
Not Applicable - The Company did not have any financial instruments with off-balance sheet risk or financial instruments with concentration of credit risk during the reporting periods.

**NOTE 17 Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**  
Not Applicable - The Company did not engage in these types of transactions during the reporting periods

**NOTE 18 Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**  
Not Applicable - The Company did not have any gains or losses from uninsured plans or partially insured plans during 2025.

**NOTE 19 Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**  
Not Applicable - The Company did not have any direct premium written/produced by managing general agents or third party administrators during 2025 or 2024.

**NOTE 20 Fair Value Measurements**

A. (1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value Exempt MM Mutual Fund		\$ 1,417,869			\$ 1,417,869
<b>Total assets at fair value/NAV</b>	\$ -	\$ 1,417,869	\$ -	\$ -	\$ 1,417,869

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

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

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

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

(3) Policies when Transfers Between Levels are Recognized  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

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

Fair Value pricing obtained, where applicable from market prices provided by US Bank, Institutional Trust and Custody, custodian for investment assets, or where applicable, from the NAIC Valuation of Securities database, for assets not priced by US Bank. There has been no change in this valuation technique.

(5) Fair Value Disclosures

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

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not Applicable

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Exempt MM Mutual Fund	\$ 1,417,869	\$ 1,417,869		\$ 1,417,869			

D. Not Practicable to Estimate Fair Value

Not Applicable

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

E. NAV Practical Expedient Investments

Not Applicable - The Company did not have any investments measured at NAV.

**NOTE 21 Other Items**

A. Unusual or Infrequent Items

The Company had no unusual or infrequent items as of December 31, 2025.

B. Troubled Debt Restructuring: Debtors

The Company had no troubled debt restructuring as of December 31, 2025.

C. Other Disclosures

The Company does not have any other disclosure items.

D. Business Interruption Insurance Recoveries

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

E. State and Federal Tax Credits

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

F. Subprime Mortgage Related Risk Exposure

Not Applicable - The Company did not have subprime-mortgage-related risk exposure during the reporting periods.

G. Retained Assets

Not Applicable - The Company has no retained assets.

H. Insurance-Linked Securities (ILS) Contracts

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

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

Not Applicable

**NOTE 22 Events Subsequent**

Type I – Recognized Subsequent Events:

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

Type II – Nonrecognized Subsequent Events:

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

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 23 Reinsurance**

**A. Ceded Reinsurance Report**

Section 1 – General Interrogatories

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

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

Section 2 – Ceded Reinsurance Report – Part A

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

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

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

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

Section 3 – Ceded Reinsurance Report – Part B

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

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

**B. Uncollectible Reinsurance**

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

**C. Commutation of Reinsurance Reflected in Income and Expenses.**

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

**D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation**

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

**E. Reinsurance Credit**

Not Applicable - The Company has no reinsurance credits.

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

**A. Method Used to Estimate Accrued Retrospective Premium Adjustments**

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

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

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

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

The amount of net premiums written by the Company at December 31, 2025 that are subject to retrospective rating features was \$243,533,180 that represented 100% of the total net premium written. No other net premiums written by the Company are subject to retrospective rating features.

**D. Medical loss ratio rebates required pursuant to the Public Health Service Act.**

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
<b>Prior Reporting Year</b>					
(1) Medical loss ratio rebates incurred	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medical loss ratio rebates paid	\$ -	\$ -	\$ -	\$ -	\$ -
(3) Medical loss ratio rebates unpaid	\$ -	\$ -	\$ -	\$ -	\$ -
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ -
<b>Current Reporting Year-to-Date</b>					
(7) Medical loss ratio rebates incurred	\$ -	\$ -	\$ -	\$ -	\$ -
(8) Medical loss ratio rebates paid	\$ -	\$ -	\$ -	\$ -	\$ -
(9) Medical loss ratio rebates unpaid	\$ -	\$ -	\$ -	\$ -	\$ -
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ -

**NOTES TO FINANCIAL STATEMENTS**

E. Risk Sharing Provisions of the Affordable Care Act

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

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

a. Permanent ACA Risk Adjustment Program

Assets

1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments) \$ -

Liabilities

2. Risk adjustment user fees payable for ACA Risk Adjustment \$ -

3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premium) \$ 28,781,665

Operations (Revenue & Expense)

4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment \$ (23,160,546)

5. Reported in expenses as ACA risk adjustment user fees (incurred/paid) \$ 65,344

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

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
					5	6	7	8		9	10
	Receivable	Payable	Receivable	Payable	Receivable	Payable	Receivable	Payable		Receivable	Payable
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high risk pool payments)					\$ -	\$ -			A	\$ -	\$ -
2. Premium adjustments (payable) (including high risk pool premium)		\$27,204,547		\$21,583,428	\$ -	\$ 5,621,119		\$ (5,621,119)	B	\$ -	\$ -
3. Subtotal ACA Permanent Risk Adjustment Program	\$ -	\$27,204,547	\$ -	\$21,583,428	\$ -	\$ 5,621,119	\$ -	\$ (5,621,119)		\$ -	\$ -

Explanations of Adjustments

A.

B.

Adjustment to payable

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

A. Change in Incurred Losses and Loss Adjustment Expenses

Subject to a Reinsurance agreement between USABLE HMO, Inc. (UHMO) and USABLE Mutual Insurance Company (UMIC), UMIC has agreed to reinsure 100% of the UHMO MA business pursuant to an affiliated reinsurance agreement as submitted to the Arkansas Insurance Department. Therefore, the MA Incurred Claims and Claims Adjustment Expenses have been ceded by UHMO and assumed by UMIC.

Beginning January 1, 2024, USABLE HMO, Inc. began offering individual products branded as Octave. These products are not ceded to UMIC. The change in incurred claims and claim adjustment expenses will be reported in Note 25 beginning in the first quarter of 2025.

Reserves as of December 31, 2024 were \$28,821,567. As of December 31, 2025, \$25,762,961 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$(1,685,587) as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been an \$4,744,194 favorable prior-year development since December 31, 2024 to December 31, 2025. The change is generally the result of ongoing analysis of recent loss development trends and cost sharing reductions. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

12/31/2024 Reserves	\$ 28,821,567
2024 Claims paid in 2025	<u>25,762,961</u>
Adjusted Net Reserves	3,058,606
Less -	
2024 Remaining Reserves	<u>(1,685,587)</u>
Development	<u>\$ 4,744,194</u>

B. Information about Significant Changes in Methodologies and Assumptions

There have been no significant changes in methodologies and assumptions.

**NOTE 26 Intercompany Pooling Arrangements**

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

**NOTE 27 Structured Settlements**

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

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 28 Health Care Receivables**

A. Pharmaceutical Rebate Receivables

Date	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2025	\$ 11,435,547				
09/30/2025	\$ 13,288,526	\$ 13,182,087	\$ 12,107,293		
06/30/2025	\$ 12,922,028	\$ 12,279,141	\$ 11,767,431	\$ 19,745	
03/31/2025	\$ 10,859,724	\$ 11,026,103	\$ 10,429,033	\$ 34,028	\$ 35,575
12/31/2024	\$ 9,590,437	\$ 4,551,034	\$ 4,068,724	\$ 203,443	\$ 56,430
09/30/2024	\$ 9,464,483	\$ 8,606,254	\$ 8,159,699	\$ 356,890	\$ 78,869
06/30/2024	\$ 8,047,871	\$ 7,762,373	\$ 7,269,691	\$ 325,651	\$ 44,273
03/31/2024	\$ 6,067,552	\$ 5,854,050	\$ 5,134,511	\$ 643,254	\$ 214,950
12/31/2023	\$ 5,164,079	\$ 4,609,238	\$ 676,160	\$ 3,119,402	\$ 1,185,739
09/30/2023	\$ 5,136,030	\$ 5,164,079	\$ 1,175,452	\$ 3,237,392	\$ 721,459
06/30/2023	\$ 5,095,913	\$ 5,136,030	\$ 1,198,066	\$ 3,895,699	\$ (28,066)
03/31/2023	\$ 4,751,113	\$ 5,095,913	\$ 1,169,905	\$ 3,545,690	\$ 6,827

B. Risk-Sharing Receivables

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
2025	2025		\$ 184,064		\$ 184,064				
	2024	\$ 416,031	\$ 39,826	\$ 27,763	\$ 428,094		\$ 27,763		
2024	2024		\$ 416,031		\$ 416,031				
	2023	\$ 299,943		\$ 291,610			\$ 291,610		
	2022	\$ 212,544							
2023	2023		\$ 299,943		\$ 299,943				
	2022	\$ 234,652	\$ 212,544		\$ 212,544				

C. Medicare Prescription Payment Plan Receivables

(1) Amounts included in other health care receivables which are recoverable from participants in Medicare Part D Prescription Payment Plan for the current reporting period \$ 35,739

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

1	2	3	4	5	6	7	8
Name of Plan	Current Period Gross*	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
Medicare Prescription Payment Plan Recoverables	\$ 35,739	\$ 26,276	\$ 2,661	\$ 1,734	\$ 5,068	\$ 5,068	\$ 30,671

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

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

**NOTE 29 Participating Policies**

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

**NOTE 30 Premium Deficiency Reserves**

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

**NOTE 31 Anticipated Salvage and Subrogation**

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 [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... Arkansas
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2022
- 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. .... 12/31/2022
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 07/22/2024
- 3.4 By what department or departments?  
Arkansas Insurance Department .....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? ..... Yes [ ] No [ X ]  
4.12 renewals? ..... Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? ..... Yes [ ] No [ X ]  
4.22 renewals? ..... Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**GENERAL INTERROGATORIES**

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

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

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

**GENERAL INTERROGATORIES**

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

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

**BOARD OF DIRECTORS**

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

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$ .....0
  - 20.12 To stockholders not officers.....\$ .....0
  - 20.13 Trustees, supreme or grand (Fraternal Only) .....\$ .....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$ .....0
  - 20.22 To stockholders not officers.....\$ .....0
  - 20.23 Trustees, supreme or grand (Fraternal Only) .....\$ .....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$ .....
  - 21.22 Borrowed from others.....\$ .....
  - 21.23 Leased from others .....\$ .....
  - 21.24 Other .....\$ .....
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ X ] No [ ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ ..... 14,959,027
  - 22.22 Amount paid as expenses .....\$ .....
  - 22.23 Other amounts paid .....\$ .....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ ] No [ X ]
- 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? ..... Yes [ ] No [ X ]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

**INVESTMENT**

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

**GENERAL INTERROGATORIES**

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

- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). ..... Yes [ X ] No [ ]
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements ..... \$ .....0
- 26.22 Subject to reverse repurchase agreements ..... \$ .....0
- 26.23 Subject to dollar repurchase agreements ..... \$ .....0
- 26.24 Subject to reverse dollar repurchase agreements ..... \$ .....0
- 26.25 Placed under option agreements ..... \$ .....0
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock ..... \$ .....0
- 26.27 FHLB Capital Stock ..... \$ .....0
- 26.28 On deposit with states ..... \$ .....324,341
- 26.29 On deposit with other regulatory bodies ..... \$ .....0
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB ..... \$ .....0
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements ..... \$ .....0
- 26.32 Other ..... \$ .....0

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
US Bank Institutional Trust and Custody .....	PO Box 387, St. Louis, MO 61366-0387 .....

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**GENERAL INTERROGATORIES**

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

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

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [ ] No [ X ]

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

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

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

1 Name of Firm or Individual	2 Affiliation
Gray D. Dillard .....	I.....

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

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

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

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

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

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
30.2999 - Total		0

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

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

**GENERAL INTERROGATORIES**

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Issuer Credit Obligations .....	49,482,693	49,204,900	(277,793)
31.2 Asset-Backed Securities .....	0	0	0
31.3 Preferred stocks .....	0	0	0
31.4 Totals	49,482,693	49,204,900	(277,793)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**GENERAL INTERROGATORIES**

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

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

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

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

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

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

**OTHER**

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... \$ ..... 132,118

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

1	2
Name	Amount Paid
Blue Cross Blue Shield Association .....	109,015

41.1 Amount of payments for legal expenses, if any? ..... \$ ..... 170,974

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

1	2
Name	Amount Paid
Foley & Lardner LLP .....	78,322

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? ..... \$ ..... 22,730

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

1	2
Name	Amount Paid
BlueCross BlueShield Association .....	10,005
Americas Health Insurance Plans .....	7,258

# GENERAL INTERROGATORIES

## PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]

1.2 If yes, indicate premium earned on U.S. business only. .... \$ \_\_\_\_\_

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ \_\_\_\_\_

1.31 Reason for excluding  
.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above ..... \$ \_\_\_\_\_ 0

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. .... \$ \_\_\_\_\_ 0

1.6 Individual policies: Most current three years:

1.61 Total premium earned ..... \$ ..... 0

1.62 Total incurred claims ..... \$ ..... 0

1.63 Number of covered lives ..... 0

All years prior to most current three years:

1.64 Total premium earned ..... \$ ..... 0

1.65 Total incurred claims ..... \$ ..... 0

1.66 Number of covered lives ..... 0

1.7 Group policies: Most current three years:

1.71 Total premium earned ..... \$ ..... 0

1.72 Total incurred claims ..... \$ ..... 0

1.73 Number of covered lives ..... 0

All years prior to most current three years:

1.74 Total premium earned ..... \$ ..... 0

1.75 Total incurred claims ..... \$ ..... 0

1.76 Number of covered lives ..... 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	241,956,062	133,753,106
2.2 Premium Denominator .....	241,956,062	133,753,106
2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000
2.4 Reserve Numerator .....	60,613,624	56,547,562
2.5 Reserve Denominator .....	60,613,624	56,547,562
2.6 Reserve Ratio (2.4/2.5) .....	1.000	1.000

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

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

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

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

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

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

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical ..... \$ .....

5.32 Medical Only ..... \$ .....

5.33 Medicare Supplement ..... \$ .....

5.34 Dental & Vision ..... \$ .....

5.35 Other Limited Benefit Plan ..... \$ .....

5.36 Other ..... \$ .....

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

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

7.2 If no, give details  
.....

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year ..... 17,217

8.2 Number of providers at end of reporting year ..... 18,241

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

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

9.22 Business with rate guarantees over 36 months ..... \$.....

**GENERAL INTERROGATORIES**

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

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ .....91,295

10.22 Amount actually paid for year bonuses.....\$ ..... 209,510

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

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

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, ..... Yes [ ] No [ X ]

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

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

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

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

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

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

11.6 If the amount is calculated, show the calculation

.....

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

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

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

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

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

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

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

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

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

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

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

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

15.3 Number of Covered Lives .....0

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2025 OF THE USABLE HMO, Inc.

**FIVE-YEAR HISTORICAL DATA**

	1 2025	2 2024	3 2023	4 2022	5 2021
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28) .....	113,702,901	98,785,625	34,516,754	34,347,202	38,109,625
2. Total liabilities (Page 3, Line 24) .....	83,930,086	78,280,858	4,367,762	4,509,625	9,776,636
3. Statutory minimum capital and surplus requirement .....	100,000	100,000	100,000	100,000	100,000
4. Total capital and surplus (Page 3, Line 33) .....	29,772,814	20,504,768	30,148,992	29,837,577	28,332,989
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8) .....	241,956,062	133,753,106	0	0	42,313,937
6. Total medical and hospital expenses (Line 18) .....	215,728,594	124,782,262	0	0	43,512,445
7. Claims adjustment expenses (Line 20) .....	3,191,761	6,112,905	4,468	0	5,292,972
8. Total administrative expenses (Line 21) .....	30,826,911	17,223,427	218,945	0	8,389,469
9. Net underwriting gain (loss) (Line 24) .....	(7,791,204)	(14,365,488)	(223,413)	0	(1,477,463)
10. Net investment gain (loss) (Line 27) .....	3,424,145	2,741,388	617,611	352,383	1,517,975
11. Total other income (Lines 28 plus 29) .....	0	0	0	0	0
12. Net income or (loss) (Line 32) .....	(4,277,525)	(9,401,582)	287,535	303,066	2,928,426
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11) .....	(5,523,728)	52,514,791	(3,317,524)	(8,251,347)	(4,001,351)
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital .....	29,772,814	20,504,768	30,148,992	29,837,577	28,332,989
15. Authorized control level risk-based capital .....	8,595,916	6,108,139	665,044	385,665	2,805,860
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7) .....	52,630	44,002	13,575	10,177	4,947
17. Total members months (Column 6, Line 7) .....	636,240	473,454	161,742	117,428	53,337
<b>Operating Percentage</b> (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) .....	89.2	93.3	0.0	0.0	102.8
20. Cost containment expenses .....	1.5	3.6	0.0	0.0	9.0
21. Other claims adjustment expenses .....	(0.2)	1.0	0.0	0.0	3.5
22. Total underwriting deductions (Line 23) .....	103.2	110.7	0.0	0.0	103.5
23. Total underwriting gain (loss) (Line 24) .....	(3.2)	(10.7)	0.0	0.0	(3.5)
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5) .....	24,518,575	0	0	0	0
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)] .....	29,343,015	0	0	6,365,274	0
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 9 + 15, Col. 1) .....	0				
27. Affiliated preferred stocks (Sch. D Summary, Line 22, Col. 1) .....					0
28. Affiliated common stocks (Sch. D Summary, Line 28, Col. 1) .....					0
29. Affiliated mortgage loans on real estate .....					
30. All other affiliated .....					
31. Total of above Lines 26 to 30 .....	0	0	0	0	0
32. Total investment in parent included in Lines 26 to 30 above .....	0	0	0	0	0

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

# SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

## Allocated by States and Territories

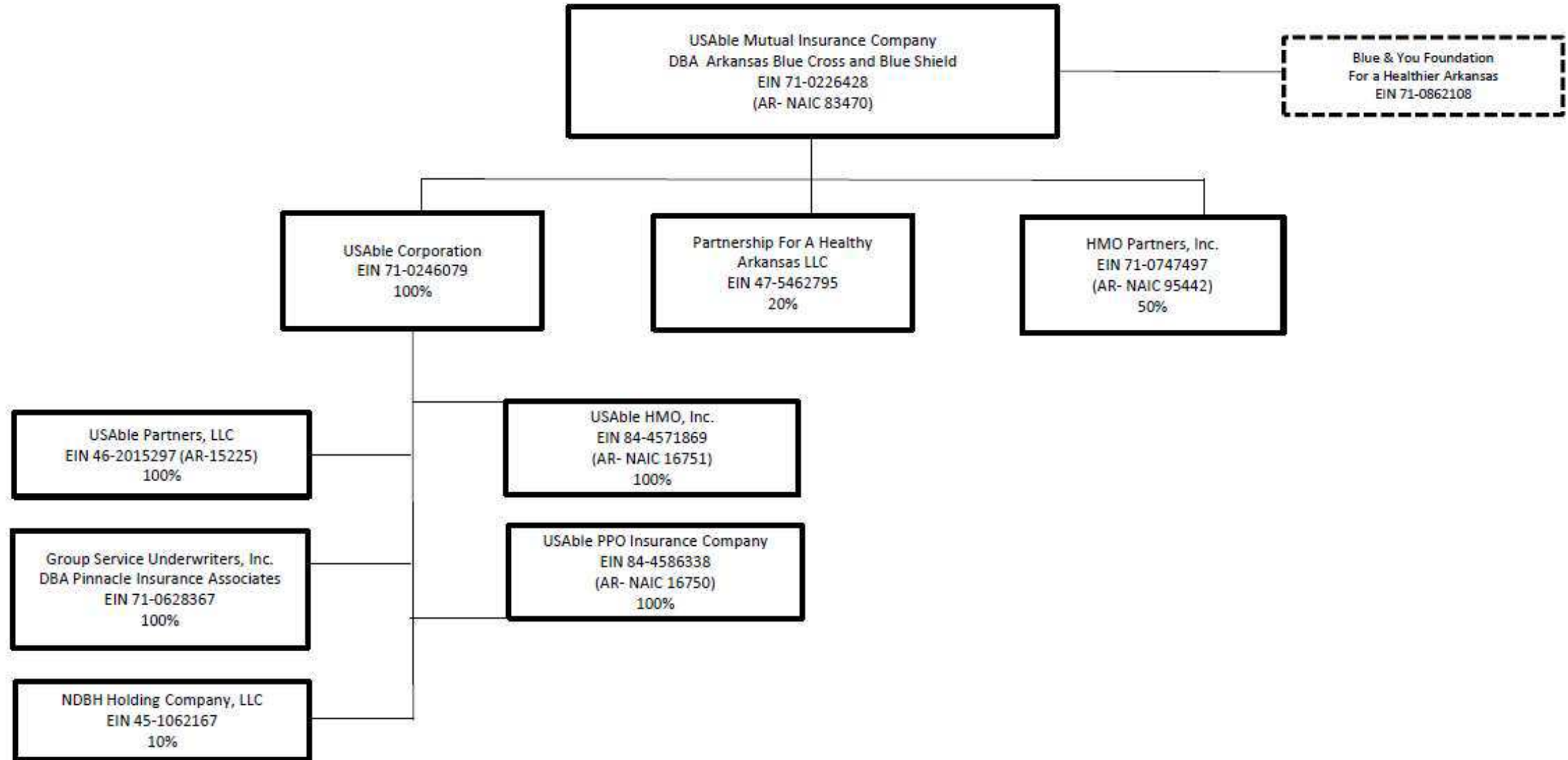
States, etc.	1 Active Status (a)	Direct Business Only									
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1. Alabama	AL	N								0	
2. Alaska	AK	N								0	
3. Arizona	AZ	N								0	
4. Arkansas	AR	L	243,533,180	176,915,183						420,448,362	
5. California	CA	N								0	
6. Colorado	CO	N								0	
7. Connecticut	CT	N								0	
8. Delaware	DE	N								0	
9. District of Columbia	DC	N								0	
10. Florida	FL	N								0	
11. Georgia	GA	N								0	
12. Hawaii	HI	N								0	
13. Idaho	ID	N								0	
14. Illinois	IL	N								0	
15. Indiana	IN	N								0	
16. Iowa	IA	N								0	
17. Kansas	KS	N								0	
18. Kentucky	KY	N								0	
19. Louisiana	LA	N								0	
20. Maine	ME	N								0	
21. Maryland	MD	N								0	
22. Massachusetts	MA	N								0	
23. Michigan	MI	N								0	
24. Minnesota	MN	N								0	
25. Mississippi	MS	N								0	
26. Missouri	MO	N								0	
27. Montana	MT	N								0	
28. Nebraska	NE	N								0	
29. Nevada	NV	N								0	
30. New Hampshire	NH	N								0	
31. New Jersey	NJ	N								0	
32. New Mexico	NM	N								0	
33. New York	NY	N								0	
34. North Carolina	NC	N								0	
35. North Dakota	ND	N								0	
36. Ohio	OH	N								0	
37. Oklahoma	OK	N								0	
38. Oregon	OR	N								0	
39. Pennsylvania	PA	N								0	
40. Rhode Island	RI	N								0	
41. South Carolina	SC	N								0	
42. South Dakota	SD	N								0	
43. Tennessee	TN	N								0	
44. Texas	TX	N								0	
45. Utah	UT	N								0	
46. Vermont	VT	N								0	
47. Virginia	VA	N								0	
48. Washington	WA	N								0	
49. West Virginia	WV	N								0	
50. Wisconsin	WI	N								0	
51. Wyoming	WY	N								0	
52. American Samoa	AS	N								0	
53. Guam	GU	N								0	
54. Puerto Rico	PR	N								0	
55. U.S. Virgin Islands	VI	N								0	
56. Northern Mariana Islands	MP	N								0	
57. Canada	CAN	N								0	
58. Aggregate other aliens	OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	243,533,180	176,915,183	0	0	0	0	0	0	420,448,362	0
60. Reporting entity contributions for employee benefit plans	XXX									0	
61. Totals (direct business)	XXX	243,533,180	176,915,183	0	0	0	0	0	0	420,448,362	0
DETAILS OF WRITE-INS											
58001.	XXX										
58002.	XXX										
58003.	XXX										
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

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

(b) Explanation of basis of allocation by states, premiums by state, etc.  
Premium is recorded based on system data.

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



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

**OVERFLOW PAGE FOR WRITE-INS**

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

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
2504. Miscellaneous .....	45	208	555,741		555,994
2505. Unpaid Claims Processing Expense .....		(117,575)			(117,575)
2506. Ceded Administrative Expense .....	(11,980,325)	1,372,723	(16,844,464)		(27,452,066)
2597. Summary of remaining write-ins for Line 25 from overflow page	(11,980,280)	1,255,356	(16,288,723)	0	(27,013,647)