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HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Coventry Health Care of Missouri, Inc.

NAIC Group Code 0001 (Current) 0001 (Prior) NAIC Company Code 96377 Employer's ID Number 43-1372307

Organized under the Laws of Missouri, State of Domicile or Port of Entry MO

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

Incorporated/Organized 05/22/1985 Commenced Business 11/01/1985

Statutory Home Office 550 Maryville Centre Drive, Suite 300 (Street and Number), St. Louis , MO, US 63141 (City or Town, State, Country and Zip Code)

Main Administrative Office 550 Maryville Centre Drive, Suite 300 (Street and Number)
St. Louis , MO, US 63141 (City or Town, State, Country and Zip Code), 314-506-1700 (Area Code) (Telephone Number)

Mail Address 550 Maryville Centre Drive, Suite 300 (Street and Number or P.O. Box), St. Louis , MO, US 63141 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 550 Maryville Centre Drive, Suite 300 (Street and Number)
St. Louis , MO, US 63141 (City or Town, State, Country and Zip Code), 314-506-1700 (Area Code) (Telephone Number)

Internet Website Address www.aetna.com

Statutory Statement Contact Scott David Miller (Name), 717-671-2474 (Area Code) (Telephone Number)
sdmiller@aetna.com (E-mail Address), 301-493-0855 (FAX Number)

OFFICERS

President Frank Joseph D'Antonio
Corporate Controller Scott David Miller
Vice President and Secretary Edward Chung-I Lee

OTHER

Kevin James Casey, Senior Investment Officer
Kabir M Rahmanzai, Chief Financial Officer
Elaine Rose Cofrancesco, Vice President and Treasurer

DIRECTORS OR TRUSTEES

Frank Joseph D'Antonio
Michael Andrew Nelson
Keith Ivan Wisdom #

State of
County of
SS:

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

Frank Joesph D'Antonio	Edward Chung-I Lee	Scott David Miller
President	Vice President and Secretary	Corporate Controller

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

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	244,152,359		244,152,359	182,652,441
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 ($ 22,721,237 , Schedule E - Part 1), cash equivalents ($ 9,844,843 , Schedule E - Part 2) and short-term investments ($ 99,928 , Schedule DA)	32,666,007		32,666,007	10,399,576
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	2,650,167		2,650,167	9
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)	279,468,533	0	279,468,533	193,052,026
13. Title plants less $ .... charged off (for Title insurers only)			0	0
14. Investment income due and accrued	2,253,364		2,253,364	1,891,847
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	554,096	1,965	552,131	491,156
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums ($ ....) and contracts subject to redetermination ($ 1,320,923)	1,320,923		1,320,923	4,495,202
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	4,136		4,136	34,337
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	22,722,199		22,722,199	23,598,847
18.1 Current federal and foreign income tax recoverable and interest thereon	7,345,836		7,345,836	5,802,292
18.2 Net deferred tax asset	7,196,151	1,806,554	5,389,597	5,565,419
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 ($ ....)	9,525	9,525	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	153,383		153,383	2,462
24. Health care ($ 2,728,241) and other amounts receivable	2,728,241		2,728,241	233,999
25. Aggregate write-ins for other than invested assets	1,374,466	269,324	1,105,142	1,162,714
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	325,130,854	2,087,368	323,043,486	236,330,301
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	325,130,854	2,087,368	323,043,486	236,330,301
DETAILS OF WRITE-INS				
1101.			0	0
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Expenses	269,324	269,324	0	0
2502. State Income Tax Receivable	1,105,142		1,105,142	0
2503. Prior year correction of federal income taxes incurred			0	1,162,714
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,374,466	269,324	1,105,142	1,162,714

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $ 289,184 reinsurance ceded)	57,522,553	3,620,191	61,142,744	53,655,040
2.	Accrued medical incentive pool and bonus amounts	8,590,234		8,590,234	5,820,899
3.	Unpaid claims adjustment expenses	897,791		897,791	768,499
4.	Aggregate health policy reserves, including the liability of $ 15,094,431 for medical loss ratio rebate per the Public Health Service Act	15,094,947		15,094,947	287,635
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	1,255,492		1,255,492	869,835
9.	General expenses due or accrued	139,691		139,691	1,277,090
10.1	Current federal and foreign income tax payable and interest thereon (including $ on realized capital gains (losses))	0		0	0
10.2	Net deferred tax liability			0	0
11.	Ceded reinsurance premiums payable			0	0
12.	Amounts withheld or retained for the account of others	13,003,591		13,003,591	10,220,917
13.	Remittances and items not allocated	747,519		747,519	1,561,009
14.	Borrowed money (including $ current) and interest thereon $ (including $ current)			0	0
15.	Amounts due to parent, subsidiaries and affiliates	62,544,950		62,544,950	44,219,359
16.	Derivatives			0	0
17.	Payable for securities	4,524,920		4,524,920	0
18.	Payable for securities lending			0	0
19.	Funds held under reinsurance treaties (with $ authorized reinsurers, $ 62,374 unauthorized reinsurers and $ 0 certified reinsurers)	62,374		62,374	0
20.	Reinsurance in unauthorized and certified ($) companies	226,810		226,810	0
21.	Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22.	Liability for amounts held under uninsured plans			0	301,495
23.	Aggregate write-ins for other liabilities (including $ current)	411,443	0	411,443	452,988
24.	Total liabilities (Lines 1 to 23)	165,022,315	3,620,191	168,642,506	119,434,766
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	14,930,000
26.	Common capital stock	XXX	XXX	10	10
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	74,443,448	74,443,448
29.	Surplus notes	XXX	XXX	0	0
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	11,974,025	11,275,556
31.	Unassigned funds (surplus)	XXX	XXX	67,983,497	16,246,521
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	154,400,980	116,895,535
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	323,043,486	236,330,301
	DETAILS OF WRITE-INS				
2301.	Other liabilities			0	11,251
2302.	Abandoned property liability	411,443		411,443	441,737
2303.				0	0
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399.	Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	411,443	0	411,443	452,988
2501.	Estimated Health Insurer Fee Accrual	XXX	XXX		14,930,000
2502.		XXX	XXX		0
2503.		XXX	XXX		0
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	14,930,000
3001.	Contingency reserve	XXX	XXX	11,974,025	11,275,556
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 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	11,974,025	11,275,556

STATEMENT OF REVENUE AND EXPENSES

		Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1.	Member Months	XXX	1,018,899	939,245
2.	Net premium income (including $ non-health premium income)	XXX	598,701,257	563,777,777
3.	Change in unearned premium reserves and reserve for rate credits	XXX	(10,354,108)	(284,884)
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	588,347,149	563,492,893
	Hospital and Medical:			
9.	Hospital/medical benefits	37,262,667	629,342,906	573,048,826
10.	Other professional services	1,070,974	18,088,074	17,684,710
11.	Outside referrals	1,008,421	17,031,594	8,937,964
12.	Emergency room and out-of-area	1,060,096	17,904,358	14,590,428
13.	Prescription drugs		43,651,120	56,625,606
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts		6,409,897	1,741,163
16.	Subtotal (Lines 9 to 15)	40,402,158	732,427,949	672,628,697
	Less:			
17.	Net reinsurance recoveries		262,636,335	217,287,679
18.	Total hospital and medical (Lines 16 minus 17)	40,402,158	469,791,614	455,341,018
19.	Non-health claims (net)			0
20.	Claims adjustment expenses, including $ 10,661,794 cost containment expenses		12,934,713	13,560,391
21.	General administrative expenses		57,673,225	53,877,720
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)	40,402,158	540,399,552	522,779,129
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	47,947,597	40,713,764
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		6,575,278	5,725,957
26.	Net realized capital gains (losses) less capital gains tax of $ 99,080		(41,608)	(680,803)
27.	Net investment gains (losses) (Lines 25 plus 26)	0	6,533,670	5,045,154
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	(26,550)
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	54,481,267	45,732,368
31.	Federal and foreign income taxes incurred	XXX	17,383,634	13,342,745
32.	Net income (loss) (Lines 30 minus 31)	XXX	37,097,633	32,389,623
	DETAILS OF WRITE-INS			
0601.		XXX		0
0602.		XXX		
0603		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.		XXX		0
0702.		XXX		0
0703		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.				0
1402.				0
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901.	Regulatory fines			(26,550)
2902.				
2903				
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0	(26,550)

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	116,895,535	88,156,055
34.	Net income or (loss) from Line 32	37,097,633	32,389,623
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ 257,062	477,391	(412,009)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	(848,059)	(1,620,183)
39.	Change in nonadmitted assets	1,005,290	867,368
40	Change in unauthorized and certified reinsurance	(226,810)	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
	44.1 Paid in	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0
	44.3 Transferred to surplus		
45.	Surplus adjustments:		
	45.1 Paid in	0	0
	45.2 Transferred to capital (Stock Dividend)		
	45.3 Transferred from capital		
46.	Dividends to stockholders		0
47.	Aggregate write-ins for gains or (losses) in surplus	0	(2,485,319)
48.	Net change in capital and surplus (Lines 34 to 47)	37,505,445	28,739,480
49.	Capital and surplus end of reporting period (Line 33 plus 48)	154,400,980	116,895,535
	DETAILS OF WRITE-INS		
4701.	Prior year correction of AHM management fee		(3,322,039)
4702.	Prior year correction of federal income tax incurred		1,162,714
4703.	Prior year correction of current income taxes		(325,994)
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	(2,485,319)

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	606,661,493	560,090,708
2.	Net investment income	7,396,069	6,711,249
3.	Miscellaneous income	0	0
4.	Total (Lines 1 through 3)	614,057,562	566,801,957
5.	Benefit and loss related payments	461,998,616	460,439,992
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	72,146,035	71,717,985
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	19,026,263	15,115,796
10.	Total (Lines 5 through 9)	553,170,914	547,273,773
11.	Net cash from operations (Line 4 minus Line 10)	60,886,648	19,528,184
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	66,561,733	31,122,568
	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	192	(211)
	12.7 Miscellaneous proceeds	4,524,920	1,009,827
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	71,086,845	32,132,184
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	112,750,470	51,045,400
	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	2,650,158	426,633
	13.7 Total investments acquired (Lines 13.1 to 13.6)	115,400,628	51,472,033
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)	(44,313,783)	(19,339,849)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	0	0
	16.6 Other cash provided (applied)	5,693,566	(11,581,796)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	5,693,566	(11,581,796)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	22,266,431	(11,393,461)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	10,399,576	21,793,037
	19.2 End of year (Line 18 plus Line 19.1)	32,666,007	10,399,576

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

20.0001. Non-cash Bond Exchanges	26,741,302	3,650,833

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	598,701,257	13,114,788					585,586,469			
2. Change in unearned premium reserves and reserve for rate credit	(10,354,108)	0					(10,354,108)			
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	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	588,347,149	13,114,788	0	0	0	0	575,232,361	0	0	0
8. Hospital/medical benefits	629,342,906	5,754,929					623,587,977			XXX
9. Other professional services	18,088,074	165,404					17,922,670			XXX
10. Outside referrals	17,031,594	155,743					16,875,851			XXX
11. Emergency room and out-of-area	17,904,358	163,724					17,740,634			XXX
12. Prescription drugs	43,651,120	2,114,927					41,536,193			XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	6,409,897	113,500					6,296,397			XXX
15. Subtotal (Lines 8 to 14)	732,427,949	8,468,227	0	0	0	0	723,959,722	0	0	XXX
16. Net reinsurance recoveries	262,636,335	(1,541)					262,637,876			XXX
17. Total medical and hospital (Lines 15 minus 16)	469,791,614	8,469,768	0	0	0	0	461,321,846	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $ 10,661,794 cost containment expenses	12,934,712	257,909					8,619,356		4,057,447	
20. General administrative expenses	57,673,226	4,035,401					69,572,107		(15,934,282)	
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	
23. Total underwriting deductions (Lines 17 to 22)	540,399,552	12,763,078	0	0	0	0	539,513,309	0	(11,876,835)	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	47,947,597	351,710	0	0	0	0	35,719,052	0	11,876,835	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	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		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	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	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	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	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)	13,114,803		15	13,114,788
2. Medicare Supplement				0
3. Dental only				0
4. Vision only				0
5. Federal Employees Health Benefits Plan	0			0
6. Title XVIII - Medicare	893,292,805		307,706,336	585,586,469
7. Title XIX - Medicaid	0			0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	906,407,608	0	307,706,351	598,701,257
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	906,407,608	0	307,706,351	598,701,257

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	720,740,306	10,422,234					710,318,072			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	262,347,913	(779)					262,348,692			
1.4 Net	458,392,393	10,423,013	0	0	0	0	447,969,380	0	0	0
2. Paid medical incentive pools and bonuses	3,640,562	(168)					3,640,730			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	61,431,928	655,139	0	0	0	0	60,776,789	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	289,184	0	0	0	0	0	289,184	0	0	0
3.4 Net	61,142,744	655,139	0	0	0	0	60,487,605	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
5. Accrued medical incentive pools and bonuses, current year	8,590,234	227,000					8,363,234			
6. Net healthcare receivables (a)	2,494,242	(40,667)					2,534,909			
7. Amounts recoverable from reinsurers December 31, current year	4,136	4,136								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	53,659,938	2,763,313	0	0	0	0	50,896,625	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	4,898	4,898	0	0	0	0	0	0	0	0
8.4 Net	53,655,040	2,758,415	0	0	0	0	50,896,625	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
10. Accrued medical incentive pools and bonuses, prior year	5,820,899	113,332	0	0	0	0	5,707,567	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	726,018,054	8,354,727	0	0	0	0	717,663,327	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	262,636,335	(1,541)	0	0	0	0	262,637,876	0	0	0
12.4 Net	463,381,719	8,356,268	0	0	0	0	455,025,451	0	0	0
13. Incurred medical incentive pools and bonuses	6,409,897	113,500	0	0	0	0	6,296,397	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	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	0									
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1 Direct	61,431,928	655,139					60,776,789			
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	289,184						289,184			
2.4 Net	61,142,744	655,139	0	0	0	0	60,487,605	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct	61,431,928	655,139	0	0	0	0	60,776,789	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	289,184	0	0	0	0	0	289,184	0	0	0
4.4 Net	61,142,744	655,139	0	0	0	0	60,487,605	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1	2	3	4		Estimated Claim
Line of Business	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	Claims Incurred In Prior Years (Columns 1 + 3)	Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	1,067,740	9,351,137	18,662	636,478	1,086,402	2,758,415
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare	51,072,874	396,896,507	1,603,409	58,884,195	52,676,283	50,896,625
7 Title XIX - Medicaid					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8)	52,140,614	406,247,644	1,622,071	59,520,673	53,762,685	53,655,040
10. Healthcare receivables (a)	0	2,728,241	0	0	0	233,999
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	2,232,732	1,407,830	4,049,789	4,540,445	6,282,521	5,820,899
13. Totals (Lines 9 - 10 + 11 + 12)	54,373,346	404,927,233	5,671,860	64,061,118	60,045,206	59,241,940

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

UNDERWRITING AND INVESTMENT EXHIBIT

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

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	10,909	10,695	10,714	10,714	10,714
2. 2012	42,645	48,951	48,995	48,995	48,995
3. 2013	XXX	22,624	25,373	25,373	25,373
4. 2014	XXX	XXX	26,518	35,640	35,640
5. 2015	XXX	XXX	XXX	9,464	10,532
6. 2016	XXX	XXX	XXX	XXX	9,338

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	12,171	10,705	10,780	10,780	10,780
2. 2012	48,963	50,146	50,190	50,190	50,190
3. 2013	XXX	33,743	38,420	38,420	38,420
4. 2014	XXX	XXX	35,388	46,194	46,194
5. 2015	XXX	XXX	XXX	10,599	11,799
6. 2016	XXX	XXX	XXX	XXX	10,088

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. 2012	64,099	10,714	0	0.0	10,714	16.7	0	0	10,714	16.7
2. 2013	45,026	48,995	0	0.0	48,995	108.8	0	0	48,995	108.8
3. 2014	33,261	25,373	0	0.0	25,373	76.3	0	0	25,373	76.3
4. 2015	16,583	35,640	0	0.0	35,640	214.9	132	0	35,772	215.7
5. 2016	13,115	10,532	4,315	41.0	14,847	113.2	750	12	15,609	119.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Medicare Supplement

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Medicare Supplement

NONE

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Medicare Supplement

NONE

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. 2012										
2. 2013										
3. 2014										
4. 2015										
5. 2016										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid 1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	0	0	0	(4)	(4)
2. 2012					0
3. 2013	XXX				0
4. 2014	XXX	XXX			0
5. 2015	XXX	XXX	XXX		0
6. 2016	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Dental Only

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	0	0	0	(4)	(4)
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

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. 2012				0.0	0	0.0			0	0.0
2. 2013				0.0	0	0.0			0	0.0
3. 2014				0.0	0	0.0			0	0.0
4. 2015				0.0	0	0.0			0	0.0
5. 2016				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 - Vision Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid 1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

NONE

Section B - Incurred Health Claims - Vision Only

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

NONE

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

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. 2012										
2. 2013										
3. 2014										
4. 2015										
5. 2016										

NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid 1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	(17)	(17)	(17)	(263,198)	(263,198)
2. 2012					0
3. 2013	XXX				0
4. 2014	XXX	XXX			0
5. 2015	XXX	XXX	XXX		0
6. 2016	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	(14)	(17)	(17)	(263,198)	(263,198)
2. 2012					0
3. 2013	XXX				0
4. 2014	XXX	XXX			0
5. 2015	XXX	XXX	XXX		0
6. 2016	XXX	XXX	XXX	XXX	0

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

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. 2012				0.0	0	0.0			0	0.0
2. 2013				0.0	0	0.0			0	0.0
3. 2014				0.0	0	0.0			0	0.0
4. 2015				0.0	0	0.0			0	0.0
5. 2016				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 - Title XVIII

	Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
		1 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	31,260	31,258	31,081	31,081	31,081
2.	2012	283,489	319,049	319,094	319,094	319,094
3.	2013	XXX	306,078	343,126	343,126	343,126
4.	2014	XXX	XXX	382,069	417,757	417,757
5.	2015	XXX	XXX	XXX	406,131	459,437
6.	2016	XXX	XXX	XXX	XXX	395,589

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 2012	2 2013	3 2014	4 2015	5 2016
1.	Prior	32,358	31,254	31,105	31,105	31,105
2.	2012	323,224	320,133	320,178	320,178	320,178
3.	2013	XXX	345,929	386,215	386,215	386,215
4.	2014	XXX	XXX	432,340	472,525	472,525
5.	2015	XXX	XXX	XXX	458,058	516,903
6.	2016	XXX	XXX	XXX	XXX	458,900

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.	2012	397,789	31,081	0	0.0	31,081	7.8	0	0	31,081	7.8
2.	2013	414,592	319,094	0	0.0	319,094	77.0	0	0	319,094	77.0
3.	2014	479,380	343,126	0	0.0	343,126	71.6	0	0	343,126	71.6
4.	2015	546,925	417,757	0	0.0	417,757	76.4	5,540	0	423,297	77.4
5.	2016	585,586	459,437	8,619	1.9	468,056	79.9	63,311	886	532,253	90.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Title XIX

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid 1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Title XIX

NONE

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

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

NONE

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. 2012										
2. 2013										
3. 2014										
4. 2015										
5. 2016										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Other

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Other

NONE

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior					
2. 2012					
3. 2013	XXX				
4. 2014	XXX	XXX			
5. 2015	XXX	XXX	XXX		
6. 2016	XXX	XXX	XXX	XXX	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Other

NONE

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. 2012										
2. 2013										
3. 2014										
4. 2015										
5. 2016										

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	42,152	41,936	41,778	(221,407)	(221,407)
2. 2012	326,134	368,000	368,089	368,089	368,089
3. 2013	XXX	328,702	368,499	368,499	368,499
4. 2014	XXX	XXX	408,587	453,397	453,397
5. 2015	XXX	XXX	XXX	415,595	469,969
6. 2016	XXX	XXX	XXX	XXX	404,927

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior	44,515	41,942	41,868	(221,317)	(221,317)
2. 2012	372,187	370,279	370,368	370,368	370,368
3. 2013	XXX	379,672	424,635	424,635	424,635
4. 2014	XXX	XXX	467,728	518,719	518,719
5. 2015	XXX	XXX	XXX	468,657	528,702
6. 2016	XXX	XXX	XXX	XXX	468,988

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. 2012	461,888	41,795	0	0.0	41,795	9.0	0	0	41,795	9.0
2. 2013	459,618	368,089	0	0.0	368,089	80.1	0	0	368,089	80.1
3. 2014	512,641	368,499	0	0.0	368,499	71.9	0	0	368,499	71.9
4. 2015	563,508	453,397	0	0.0	453,397	80.5	5,672	0	459,069	81.5
5. 2016	598,701	469,969	12,934	2.8	482,903	80.7	64,061	898	547,862	91.5

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
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	15,094,946	515					15,094,431		
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	15,094,946	515	0	0	0	0	15,094,431	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	15,094,946	515	0	0	0	0	15,094,431	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
12. Totals (gross)	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
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
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	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
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses 1 Cost Containment Expenses	Claim Adjustment Expenses 2 Other Claim Adjustment Expenses	3 General Administrative Expenses	4 Investment Expenses	5 Total
1. Rent ($ .... for occupancy of own building)	283,497	126,556	63,536	1,530	475,119
2. Salary, wages and other benefits	6,888,586	1,303,086	30,244,313	170,560	38,606,545
3. Commissions (less $ .... ceded plus $ .... assumed)	0	0	11,402,622	0	11,402,622
4. Legal fees and expenses	14,500	0	(3,438)	1,881	12,943
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	233,920	9,501	8,702,050	0	8,945,471
7. Traveling expenses	42,327	3,819	935,370	5,149	986,665
8. Marketing and advertising	16,099	42,140	1,185,504	0	1,243,743
9. Postage, express and telephone	170,482	93,553	1,730,784	10,983	2,005,802
10. Printing and office supplies	18,765	3,250	1,104,645	7,385	1,134,045
11. Occupancy, depreciation and amortization	0	0	0	0	0
12. Equipment	29,853	12,365	1,925,633	9,127	1,976,978
13. Cost or depreciation of EDP equipment and software	355,677	80,257	2,124,927	0	2,560,861
14. Outsourced services including EDP, claims, and other services	2,581,114	594,368	6,772,423	47,834	9,995,739
15. Boards, bureaus and association fees	(853)	68	55,651	163	55,029
16. Insurance, except on real estate	18,338	4,705	825,162	0	848,205
17. Collection and bank service charges	320	2,500	415,737	1,190	419,747
18. Group service and administration fees	7,463	(3,068)	(4,030)	0	365
19. Reimbursements by uninsured plans	0	0	(39,870,204)	0	(39,870,204)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	2,346	114	1,047,249	4,984	1,054,693
22. Real estate taxes	0	0	133,042	0	133,042
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	3,012,240	0	3,012,240
23.2 State premium taxes	0	0	21,582	0	21,582
23.3 Regulatory authority licenses and fees	0	0	(120,337)	0	(120,337)
23.4 Payroll taxes	0	0	3,152,168	14,520	3,166,688
23.5 Other (excluding federal income and real estate taxes)	0	0	14,980,500	0	14,980,500
24. Investment expenses not included elsewhere	0	0	0	0	0
25. Aggregate write-ins for expenses	(640)	(295)	7,836,096	0	7,835,161
26. Total expenses incurred (Lines 1 to 25)	10,661,794	2,272,919	57,673,225	275,306	(a) 70,883,244
27. Less expenses unpaid December 31, current year		897,791	139,690		1,037,481
28. Add expenses unpaid December 31, prior year	0	768,499	1,277,090	0	2,045,589
29. Amounts receivable relating to uninsured plans, prior year	0	0	23,598,847	0	23,598,847
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	10,661,794	2,143,627	35,211,778	275,306	48,292,505
DETAILS OF WRITE-INS					
2501. CVS Caremark Recovery	(320)	0	2,630,917		2,630,597
2502. Miscellaneous	(320)	(295)	3,676,759		3,676,144
2503. Interest Expense	0		113,962		113,962
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	1,414,458	0	1,414,458
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	(640)	(295)	7,836,096	0	7,835,161

(a) Includes management fees of $ 86,154,048 to affiliates and $ .... to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 151,323	171,044
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 6,062,190	6,403,986
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5	Contract Loans		
6	Cash, cash equivalents and short-term investments	(e) 258,085	258,085
7	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	17,469	17,469
10.	Total gross investment income	6,489,067	6,850,584
11.	Investment expenses		(g) 260,786
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 14,520
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		275,306
17.	Net investment income (Line 10 minus Line 16)		6,575,278
	DETAILS OF WRITE-INS		
0901.	Miscellaneous Interest	17,469	17,469
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	17,469	17,469
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

(a) Includes $ 354,751 accrual of discount less $ 1,537,059 amortization of premium and less $ 551,421 paid for accrued interest on purchases.

(b) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued dividends on purchases.

(c) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(d) Includes $ .... for company's occupancy of its own buildings; and excludes $ .... interest on encumbrances.

(e) Includes $ 258,072 accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(f) Includes $ .... accrual of discount less $ .... amortization of premium.

(g) Includes $. 275,306 investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.

(i) Includes $ .... depreciation on real estate and $ .... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	0	(189,726)	(189,726)	0	0
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	289,461	(42,455)	247,006	734,453	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
4.	Real estate		0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments	192		192		
7.	Derivative instruments			0		
8.	Other invested assets		0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	289,653	(232,181)	57,472	734,453	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)		0	0
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		0	0
	4.2 Properties held for the production of income		0	0
	4.3 Properties held for sale		0	0
5.	Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)		0	0
6.	Contract loans		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
12.	Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13.	Title plants (for Title insurers only)		0	0
14.	Investment income due and accrued		0	0
15.	Premiums and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	1,965	10,036	8,071
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due		0	0
	15.3 Accrued retrospective premiums and contracts subject to redetermination		0	0
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers		0	0
	16.2 Funds held by or deposited with reinsured companies		0	0
	16.3 Other amounts receivable under reinsurance contracts		0	0
17.	Amounts receivable relating to uninsured plans		0	0
18.1	Current federal and foreign income tax recoverable and interest thereon		0	0
18.2	Net deferred tax asset	1,806,554	2,735,848	929,294
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	9,525	31,048	21,523
22.	Net adjustment in assets and liabilities due to foreign exchange rates		0	0
23.	Receivable from parent, subsidiaries and affiliates		0	0
24.	Health care and other amounts receivable		0	0
25.	Aggregate write-ins for other than invested assets	269,324	315,726	46,402
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2,087,368	3,092,658	1,005,290
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts		0	0
28.	Total (Lines 26 and 27)	2,087,368	3,092,658	1,005,290
	DETAILS OF WRITE-INS			
1101.			0	0
1102.			0	0
1103.			0	0
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.	Prepaid Expenses	269,324	315,726	46,402
2502.			0	0
2503.				
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	269,324	315,726	46,402

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

	Total Members at End of					6
Source of Enrollment	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	73,591	58,905	74,672	76,297	75,825	826,619
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service	4,467	15,670	17,738	16,126	16,038	192,280
5. Indemnity Only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	78,058	74,575	92,410	92,423	91,863	1,018,899
DETAILS OF WRITE-INS						
0601.	0					
0602.	0					
0603.	0					
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of significant accounting policies and going concern

A. Accounting practices

The accompanying statutory financial statements of Coventry Health Care of Missouri Inc. (the “Company”), indirectly a wholly-owned subsidiary of Aetna Inc. (“Aetna”), have been prepared in conformity with accounting practices prescribed or permitted by the Missouri Insurance Department (“Missouri Department”) (“Missouri Accounting Practices”). The Missouri Department recognizes only statutory accounting practices prescribed or permitted by the State of Missouri for determining and reporting the financial condition and results of operations of an insurance company, which include accounting practices and procedures adopted by the National Association of Insurance Commissioners' (“NAIC”) *Accounting Practices and Procedures Manual* (“NAIC SAP”).

A reconciliation of the Company’s net income and surplus between NAIC SAP and practices prescribed and permitted by the Commonwealth of Missouri for the years ending December 31, 2016 and 2015 is as follows:

		SSAP #	F/S Page	F/S Line #	2016	2015
	Net income					
(1)	The Company’s state basis	XXX	XXX	XXX	$37.097.636	$32,389,623
(2)	Missouri prescribed practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(3)	Missouri permitted practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(4)	NAIC SAP				$37.097.636	$32,389,623
	Surplus					
(5)	The Company’s state basis	XXX	XXX	XXX	$154,400,980	$672,287,614
(6)	Missouri prescribed practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(7)	Missouri permitted practices that increase/ (decrease) NAIC SAP	N/A	N/A	N/A	-	-
(8)	NAIC SAP				$154,400,980	$672,287,614

B. Use of estimates in the preparation of the financial statements

The preparation of these financial statements in conformity with Missouri Accounting Practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenue and expenses. Actual results could differ from those estimates.

C. Accounting policies

The Company applies the following significant accounting policies:

(1) Cash, cash equivalents and short-term investments

Cash, cash equivalents and short-term investments, consisting primarily of money market instruments and other debt issues with an original maturity of up to one year, are carried at amortized cost. Short-term investments consist primarily of investments purchased with an original maturity date of greater than three months but less than one year. Cash equivalents consist of highly liquid instruments, which mature within three months from the date of purchase. The carrying amount of cash, cash equivalents and short-term investments approximates fair value. If a reporting entity has multiple cash accounts, the net amount of all accounts shall be reported jointly. Cash accounts with positive balances shall not be reported separately from cash accounts with negative balances. If in the aggregate, the reporting entity has a net negative cash balance, it shall be reported as a negative asset and shall not be recorded as a liability.

(2) Bonds

Bonds, which include special deposits, are carried at amortized cost except for those bonds with an NAIC designation of 3 through 6, which are carried at the lower of amortized cost or fair value. The amount carried at fair value is not material to the financial statements. Bond premiums and discounts are amortized using the scientific interest method. When quoted prices in active markets for identical assets are available, the Company uses these quoted market prices to determine the fair value of bonds. This is used primarily for U.S. government securities. In other cases where a quoted market price for identical assets in an active market is either not available or not observable, the Company estimates fair values using valuation methodologies based on available and observable market information or by using a matrix pricing model. If quoted market prices are not available, the Company determines fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. The Company had no investments where fair value was determined using broker quotes or an internal analysis of financial performance and cash flow projections at December 31, 2016 and 2015. Bonds include all investments whose maturity is greater than one year when purchased.

The Company periodically reviews its bonds to determine whether a decline in fair value below the carrying value is other-than-temporary. For bonds, other than loan-backed and structured securities, an other-than-temporary impairment ("OTTI") shall be recorded if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition. Declines deemed to be OTTI in the cost basis are recognized as realized capital losses. Yield-related impairments are deemed other-than-temporary when the Company intends to sell an investment at the reporting date before recovery of the cost of the investment.

For loan-backed and structured securities, the Company records OTTI when the fair value of the loan-backed or structured security is less than the amortized cost basis at the balance sheet date and (1) the Company intends to sell the investment, or (2) the Company does not have the intent and ability to retain the investment for the time sufficient to recover the amortized cost basis, or (3) the Company does not expect to recover the entire amortized cost basis of the security, even if it does not intend to sell the security and has the intent and ability to hold. If it is determined an OTTI has occurred because of (1) or (2), the amount of the OTTI is equal to the difference between the amortized cost and the fair value of the security at the balance sheet date and this difference is recorded as a realized capital loss. If it is determined an OTTI has occurred because of (3), the amount of the OTTI is equal to the difference between the amortized cost and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's effective interest rate and this difference is also accounted for as a realized capital loss.

The Company analyzes all relevant facts and circumstances for each investment when performing its analysis to determine whether an OTTI exists. Among the factors considered in evaluating whether a decline is other-than-temporary, management considers whether the decline in fair value results from a change in the quality of the investment security itself, whether the decline results from a downward movement in the market as a whole, the prospects for realizing the carrying value of the bond based on the investee's current and short-term prospects for recovery and other factors. The risks inherent in assessing the impairment of an investment include the risk that market factors may differ from our expectations and the risk that facts and circumstances factored into our assessment may change with the passage of time. Unexpected changes to market factors and circumstances that were not present in past reporting periods may result in a current period decision to sell securities that were not other-than-temporarily-impaired in prior reporting periods.

(3) The Company did not own any common stocks at December 31, 2016 or 2015.

(4) The Company did not own any preferred stock at December 31, 2016 or 2015.

(5) The Company did not have any mortgage loans at December 31, 2016 or 2015.

(6) Securities lending

The Company engages in securities lending by lending certain securities from its investment portfolio to other institutions for short periods of time. Borrowers must post cash collateral in the amount of 102% to 105% of the fair value of a loaned security. The fair value of the loaned securities is monitored on a daily basis, with additional collateral obtained or refunded as the fair value of the loaned securities fluctuates. The collateral is retained and invested by a lending agent according to the Company's guidelines to generate additional investment income for the Company. Pursuant to SSAP No. 103 - *Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* ("SSAP No. 103"), collateral required under the Company's securities lending program is carried on the Company's Statutory Statements of Assets and Liabilities, Capital and Surplus as both a receivable and payable. Also pursuant to SSAP No. 103, if the collateral received from a counterparty is less than 100 percent at the reporting date, the difference between the actual collateral and 100 percent is nonadmitted. Collateral value is measured and compared to the loaned securities in aggregate by counterparty. The Company did not have any loaned securities at December 31, 2016 and 2015.

(7) The Company did not have any investments in subsidiaries, controlled and affiliated companies at December 31, 2016 or 2015.

(8) The Company did not have any investments in any joint ventures, partnerships and limited liability companies at December 31, 2016 or 2015.

(9) The Company did not have any derivatives at December 31, 2016 or 2015.

(10) Aggregate health policy reserves and related expenses

Premium deficiency reserves ("PDR") are recognized when it is probable that the expected future hospital and medical costs, including maintenance costs, will exceed anticipated future premiums and reinsurance recoveries on existing contracts. Where allowed, anticipated investment income is considered in the calculation of any PDR. For purposes of calculating a PDR, contracts are grouped in manner consistent with the method of acquiring, servicing and measuring the profitability of such contracts. The Company had no PDR at December 31, 2016 or 2015.

The Company is required to make premium rebate payments to customers that are enrolled under certain health insurance policies if specific minimum annual medical loss ratios ("MLR") were not met in the prior year. The Company's results for full-year 2016 and 2015 included an estimate of $15,094,431 and $284,884, respectively, of minimum MLR rebates, which were included in aggregate health policy reserves in the Statutory Statements of Liabilities and Capital and Surplus.

The Company reports liabilities associated with contracts subject to redetermination as aggregate health policy reserves in accordance with SSAP No. 54 – *Individual and Group and Accident Health Contracts* ("SSAP No. 54") and SSAP No. 107 - *Risk-Sharing Provisions of the Affordable Care Act* ("SSAP No. 107"). The Company had no Federal Contingency Reserves reported in aggregate policy reserves at December 31, 2016 and 2015, respectively. The Company reported Affordable Care Act ("ACA") Risk Adjustment Payables of $515 and $2,751 in aggregate health policy reserves at December 31, 2016 and 2015, respectively.

(11) Hospital and medical costs and claims adjustment expenses and related reserves

Hospital and medical costs consist principally of fee-for-service medical claims and capitation costs. Claims unpaid and aggregate health claim reserves include the Company's estimate of payments to be made on claims reported but not yet paid and for health care services rendered to enrollees but not yet reported to the Company as of the Statutory Statements of Assets and Liabilities, Capital and Surplus date. Such estimates are developed using actuarial principles and assumptions, which consider, among other things, historical and projected claim submission and processing payment patterns, medical cost trends, historical utilization of health care services, claim inventory levels, medical inflation, contract requirement changes in membership and product mix, seasonality and other relevant factors. The Company reflects changes in estimates in hospital and medical costs in the Statutory Statements of Revenue and Expenses in the period they are determined. Capitation costs, which are recorded in hospital and medical expenses in the Statutory Statements of Revenue and Expenses, represent contractual monthly fees paid to participating physicians and other medical providers for providing medical care, regardless of the medical services provided to the enrollee.

The Company uses the triangulation method to estimate reserves for claims incurred but not reported. The method of triangulation makes estimates of completion factors that are then applied to the total paid claims (net of coordination of benefits) to date for each incurral month. This provides an estimate of the total projected incurred claims and total amount outstanding or claims incurred but not reported (claims unpaid). For the most current dates of service where there is insufficient paid claim data to rely solely on the triangulation method, the Company examines cost and utilization trends as well as environmental factors, plan changes, provider contracts, changes in membership and/or benefits, and historical seasonal patterns to estimate the reserve required for these months.

Claims adjustment expenses, which include cost containment expenses, represent the costs incurred related to the claim settlement process such as costs to record, process and adjust claims. These expenses are included in the Company's management agreement with an affiliate described in Note 10.

(12) The Company did not modify its capitalization policy from the prior period.

(13) Pharmaceutical rebate receivables

The Company estimates pharmaceutical rebate receivables based upon historical payment trends, actual utilization and other variables. Pharmaceutical rebates for a quarter are billed to the vendor within one month of the completion of the quarter with any adjustment to previously recorded amounts reflected at the time of billing. The Company reports pharmaceutical rebate receivables as health care receivables. Pharmacy rebate receivables not in accordance with SSAP No. 84 – *Health Care and Government Insured Plan Receivables* or are over 90 days past due are nonadmitted. All rebates are processed and settled with an affiliated entity. The pharmaceutical rebate receivables are more fully discussed in Note 28.

(14) Premiums and amounts due and unpaid

Premium revenue for prepaid health or dental care products is recognized as income in the month in which enrollees are entitled to health or dental care services. Premiums collected before the effective period are reported as premiums received in advance. Premiums related to unexpired contractual coverage periods are reported as unearned premiums in the Statutory Statements of Liabilities, Capital and Surplus (refer to discussion of aggregate health policy reserves and related expenses above).

Non-admitted amounts consist of all premiums due and unpaid greater than 90 days past due, with the exception of amounts due under government insured plans, which may be admitted assets under certain circumstances. In addition, for any customer for which the premiums due and unpaid greater than 90 days past due is more than a de minimus portion of the entire balance of premiums due and unpaid for that customer, the entire balance of premiums due and unpaid for that customer is nonadmitted. Management also performs a specific review of accounts and based on the results of the review, additional amounts may be nonadmitted. Uncollectible amounts are generally written-off and charged to revenue in the period in which the customer reconciliations are completed and agreed to by the customer (retroactivity) or when the account is determined to be uncollectible by the Company.

(15) Aggregate health claim reserves

The reserve for future contingent benefits includes the estimated cost of services that will continue to be incurred after the Statutory Statements of Liabilities, Capital and Surplus date if the Company is obligated to pay for such services in accordance with contract provisions or regulatory requirements. These balances are recorded in aggregate health claim reserves in the Statutory Statements of Liabilities, Capital and Surplus and are estimated using a percentage of current hospital and medical costs, which is based on the Company's historical cost experience.

(16) Investment income due and accrued

Accrued investment income consists primarily of interest. Interest is recognized on an accrual basis and dividends are recorded as earned on the ex-dividend date. Due and accrued income is not recorded on: (a) bonds in default; and (b) bonds delinquent more than 90 days or where collection of interest is improbable. At December 31, 2016 and 2015, the Company did not have any nonadmitted investment income due and accrued.

(17) Covered and uncovered expenses and related liabilities

Covered expenses and related liabilities represent costs for health care expenses for which a member is not responsible in the event of the insolvency of the Company. Uncovered expenses and related liabilities represent costs to the Company for health care services that are the obligation of the Company and for which a member may also be liable in the event of the Company's insolvency.

(18) Fees Paid to the Federal Government by Health Insurers

Beginning January 1, 2014, SSAP No. 106 – *Affordable Care Act Section 9010 Assessment* ("SSAP No. 106") required (1) that the health insurer fee be recognized in full on January 1 of the fee year (the calendar year in which the assessment must be paid to the federal government), in the operating expense category of insurance taxes, licenses and fees, excluding federal income taxes and (2) that in each data year preceding a fee year a reporting entity pro-ratably accrue by reclassifying from unassigned funds (surplus) to aggregate write-ins for special surplus funds an amount equal to its estimated subsequent fee year assessment. This reclassification has no impact on total capital and surplus and is reversed in full on January 1 of the fee year beginning with fee years starting on January 1, 2015 and after. In December 2015, the Consolidated Appropriation Act was enacted which included a one year suspension in 2017 of the health insurer fee. As interpreted in INT 16-01: ACA Section 9010 Assessment 2017 Moratorium, because there is not an ACA Section 9010 fee due in September 2017, there is not an accrual of a liability on January 1, 2017 based on 2016 data year net written premiums. Accrual of a liability on January 1, 2018 for the ACA Section 9010 assessment based on 2017 data year net written premiums and the reclassification from unassigned funds (surplus) to aggregate write-ins for special surplus funds equal to the estimated 2018 fee year assessment accrued in data year 2017 will both continue as prescribed under SSAP No. 106. See Note 22 for disclosure of all amounts related to the health insurer fee for the Company.

(19) Accounting for the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010's (collectively, "Health Care Reform") Reinsurance, Risk Adjustment and Risk Corridor (the "3Rs") pursuant to SSAP No. 107 and INT 15-01: ACA Risk Corridors Collectibility ("INT 15-01")

Reinsurance

Health Care Reform established a temporary reinsurance program that expired at the end of 2016. Under this program, all issuers of major medical commercial insurance products and self-insured plan sponsors are required to contribute funding in amounts set by the U.S. Department of Health and Human Services ("HHS"). A portion of the funds collected will be utilized to reimburse issuers' high claims costs incurred for qualified individual members. The expense related to this required funding is reflected in insurance, taxes, licenses and fees for all of the Company's insurance products with the exception of products associated with qualified individual members; this expense for qualified individual members is reflected as a reduction of premium revenue. When annual claim costs incurred by the Company's qualified individual members exceed a specified attachment point, the Company is entitled to certain reimbursements from this program. The Company records amounts recoverable for claims paid and unpaid and ceded claim benefit recoveries to reflect its estimate of these recoveries.

Risk Adjustment

Health Care Reform established a permanent risk adjustment program to transfer funds from qualified individual and small group insurance plans with below average risk scores to plans with above average risk scores. Based on the risk of the Company's qualified plan members relative to the average risk of members of other qualified plans in comparable markets, the Company estimates its ultimate risk adjustment receivable or payable for the current calendar year and reflects the impact as an adjustment to its premium revenue.

Risk Corridor

Health Care Reform established a temporary risk sharing program, which expires at the end of 2016, for qualified individual and small group insurance plans. Under this program the Company makes (or receives) a payment to (or from) HHS based on the ratio of allowable costs to target costs (as defined by Health Care Reform). The Company records a risk corridor receivable or payable as an adjustment to premium revenue based on the Company's estimate of the ultimate risk sharing amount for the current calendar year. In October 2015, HHS announced that 2014 Health Care Reform risk corridor receivables would be funded at 12.6% to the extent HHS fully collects risk corridor payables. In November 2015, INT 15-01 was issued as guidance to address the accounting for risk corridor receivables. In conjunction with this guidance, the Company recorded a risk corridor receivable at December 31, 2015 that coincided with the portion of the 2014 Health Care Reform risk corridor receivables that were considered collectible. The Company currently has not recorded any risk corridor receivables for the 2016 and 2015 program years or any amount in excess of HHS's announced pro-rated funding amount for the 2014 program year because payments from HHS are uncertain.

The Company expects to perform an annual final reconciliation and settlement with HHS of the 3Rs in each subsequent year. See Note 24.E. for disclosure of amounts related to the 3Rs for the Company for the periods ending December 31, 2016 and 2015.

(20) Federal and state income and premium taxes

The Company is included in the consolidated federal income tax return of its parent company, Aetna and Aetna's other wholly-owned subsidiaries pursuant to the terms of a tax sharing agreement. In accordance with a written tax sharing agreement with an affiliate, the Company's current federal and state income tax provisions are generally computed as if the Company were filing a separate federal and state income tax return; current income tax benefits, including those resulting from net operating losses, are recognized to the extent realized in the consolidated return. Pursuant to this agreement, the Company has the enforceable right to recoup federal and state income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal and state income taxes.

Income taxes are accounted for under the asset and liability method. Deferred income tax assets ("DTAs") and liabilities ("DTLs") represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period.

Pursuant to SSAP No. 101, gross DTAs are first reduced by a statutory valuation allowance adjustment to an amount that is more likely than not to be realized ("adjusted gross DTAs"). Adjusted gross DTAs are then admitted in an amount equal to the sum of paragraphs a. b. and c. below:

a. Federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with Internal Revenue Service ("IRS") tax loss carryback provisions.

b. The amount of adjusted gross DTAs, after the application of paragraph a. above, expected to be realized within the applicable period and that is no greater than the applicable percentage as determined using the applicable Realization Threshold Limitation Table. The applicable period refers to the number of years in which the DTA will reverse in the Company's tax return and the applicable percentage refers to the percentage of the Company's statutory capital and surplus as required to be shown on the statutory balance sheet adjusted to exclude any net DTAs, electronic data processing equipment and operating system software and any net positive goodwill ("Stat Cap ExDTA").

   The Realization Threshold Limitation Tables allow DTAs to be admitted based upon either realization within 3 years and 15% of Stat Cap ExDTA, 1 year and 10% of Stat Cap ExDTA, or no DTA admitted pursuant to this paragraph b. In general, the Realization Threshold Limitation Tables allow the Company to admit more DTAs if total DTAs as reported by the Company are a smaller percentage of statutory capital and surplus.

c. The amount of gross DTAs, after the application of paragraphs a. and b. above that can be offset against existing gross DTLs. In applying this offset, the Company considers the character (i.e. ordinary versus capital) of the DTAs and DTLs such that offsetting would be permitted in the tax return under existing enacted federal income tax laws and regulations and the reversal patterns of temporary differences.

Changes in DTAs and DTLs are recognized as a separate component of gains and losses in surplus ("Change in net deferred income tax") except to the extent allocated to changes in unrealized gains and losses. Changes in DTAs and DTLs allocated to unrealized gains and losses are netted against the related changes in unrealized gains and losses and are reported as "Change in net unrealized capital gains (losses)", also a separate component of gains and losses in surplus.

The Company is subject to state income taxes in various states. State income tax expense is recorded in general administrative expenses in the Statutory Statements of Revenue and Expenses. For the years ended December 31, 2016 and 2015, the Company incurred state income tax expenses of $3,012,240 and $2,322,319, respectively. The Company's state income tax receivable of $1,105,142 at December 31, 2016 was included as an aggregate write-in in the Statutory Statement of Assets. The Company had no state income tax receivable at December 31, 2015. The Company's state income tax payable of $607,600 at December 31, 2015 was included in general expenses due or accrued in the Statutory Statements of Liabilities, Capital and Surplus.

The Company is subject to premium taxes in various states. These tax expenses are recorded in general administrative expenses in the Statutory Statements of Revenue and Expenses. The expenses for these taxes were ($20,228) and ($197,803) for the years ended December 31, 2016 and 2015, respectively. The Company's premium tax payable of $0 and $66,630 at December 31, 2016 and 2015, respectively, are included in general expenses due and accrued in the Statutory Statements of Liabilities, Capital and Surplus. The Company had prepaid premium taxes of $269,324 and $315,726 at December 31, 2016 and 2015, respectively, which were included as a write-in in the Statutory Statements of Assets.

(21) Reinsurance

In the normal course of business, the Company seeks to reduce the loss that may arise from catastrophes or other events that cause unfavorable underwriting results and to help balance its risks and capital by reinsuring certain levels of risk with other insurance enterprises. The reinsurance coverage does not relieve the Company of its primary obligations. Reinsurance premiums and reserves related to reinsured business are accounted for on a basis consistent with those used in accounting for the original policies issued and the terms of the reinsurance contracts. Premiums ceded for medical losses and the related unpaid reserves have been reported as reductions of these items. The reinsurance agreements are more fully discussed in Notes 10 and 23.

D. Going concern

After evaluation at December 31, 2016, management has no concern over the Company's ability to continue as a going concern at this time. Management will continuously evaluate the Company's ability to continue as a going concern and will take appropriate action and will make appropriate disclosures if there is any change in any condition or events that would raise substantial doubt about the Company's ability to continue as a going concern.

2. Accounting changes and corrections of errors

The Company did not have any accounting changes or corrections of errors in the year ended December 31, 2016.

3. Business combinations and goodwill

The Company did not have any business combinations or goodwill in the years ended December 31, 2016 and 2015.

4. Discontinued operations

The Company did not have any discontinued operations in the years ending December 31, 2016 and 2015.

5. Investments

A. The Company did not have any mortgage loans, including Mezzanine Real Estate Loans, at December 31, 2016 or 2015.

B. The Company did not have any debt restructuring in the years ending December 31, 2016 and 2015.

C. The Company did not have any reverse mortgages at December 31, 2016 or 2015.

D. Loan-Backed Securities

(1) Prepayment assumptions for single class and multi-class mortgage backed/asset backed securities were obtained from industry market sources.

(2) The Company had no OTTI losses during 2016 on loan-backed and structured securities in which the Company had the (1) intent to sell, (2) did not have the intent and ability to retain for a period of time sufficient to recover the amortized cost basis or (3) present value of cash flows expected to be collected is less than the amortized cost basis of the securities in accordance with SSAP No. 43R - *Loan-Backed and Structured Securities* ("SSAP No. 43R").

(3) The Company had no recognized OTTI on loan-backed and structured securities currently held, in which the present value of cash flows expected to be collected is less than the amortized cost basis, at the reporting date December 31, 2016.

(4) The Company's unrealized loss position on loan-backed and structured securities held by the Company at December 31, 2016 is as follows:

a. The aggregate amount of unrealized losses:

1.	Less than 12 months	$832,345
2.	12 months or longer	-

b. The aggregate related fair value of securities with unrealized losses:

1.	Less than 12 months	$22,350,006
2.	12 months or longer	-

(5) The Company has reviewed the loan-backed and structured securities in accordance with SSAP No. 43R in the table above and has concluded that these are performing assets generating investment income to support the needs of the business. Furthermore, the Company has no intention to sell the securities at December 31, 2016 before their cost can be recovered and does have the intent and ability to retain the securities for the time sufficient to recover the amortized cost basis; therefore, no OTTI write-down to fair value was determined to have occurred on these securities.

E. Repurchase Agreements and/or Securities Lending Transactions

(1) The Company did not have any repurchase agreements or loaned securities transactions at December 31, 2016.

(2) The Company did not pledge any of its assets as collateral, which are classified as securities pledged to creditors as of December 31, 2016.

(3) Neither the Company nor its agent has accepted collateral that is permitted by contract or custom to sell or repledge as of December 31, 2016.

(4) The Company did not have securities lending transactions administered by an affiliated agent which is "one line" reported at December 31, 2016.

(5) The Company did not have any repurchase agreements, loaned securities or dollar repurchase agreements at December 31, 2016.

(6) The Company has not accepted collateral that is not permitted by contract or custom to sell or repledge as of December 31, 2016.

(7) The Company did not have any collateral for transactions that extend beyond one year from the reporting date.

F. The Company did not have any real estate at December 31, 2016 or 2015.

G. The Company did not have any low-income housing tax credits at December 31, 2016.

H. Restricted Assets

(1) Restricted assets (including pledged):

	1	2	3	4	5	6	7
Restricted Asset Category	Total gross (admitted & Non-admitted) restricted from current year	Total gross (admitted & Non-admitted) restricted from prior year	Increase (decrease) (1 minus 2)	Total current year non-admitted restricted	Total current year admitted restricted (1 minus 4)	Percentage gross (admitted & Non-admitted) restricted to total assets	Percentage admitted restricted to total admitted assets
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-
b. Collateral held under security lending agreements	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-
i. FHLB capital stock	-	-	-	-	-	-	-
j. On deposit with states	$1,609,214	$1,284,097	325,117	-	$1,609,214	0.495	0.498
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-
n. Other restricted assets	-	-	-	-	-	-	-
o. Total restricted assets	$1,609,214	$1,284,097	$325,117	-	$1,609,214	0.495	0.498

(2) The Company did not have any assets pledged as collateral not captured in other categories at December 31, 2016.

(3) The Company did not have any other restricted assets at December 31, 2016.

(4) The Company did not have any collateral received and reflected within its financial statements at December 31, 2016.

I. The Company did not have any working capital finance investments at December 31, 2016.

J. The Company did not have any offsetting and netting of financial assets or liabilities at December 31, 2016.

K. The Company did not have any structured notes at December 31, 2016.

L The Company did not have any 5* securities at December 31, 2016.

6. Joint ventures, partnerships, and limited liability companies

A. The Company did not have any joint ventures, partnerships, or limited liability companies that exceeded 10% of its admitted assets at December 31, 2016 or 2015.

B. The Company does not have any impaired investments in joint ventures, partnerships, or limited liability companies at December 31, 2016 or 2015.

7. Investment income

A. There was no investment income due and accrued excluded from surplus at December 31, 2016 or 2015, except in bonds where collection of interest was uncertain.

B. There was no amount excluded at December 31, 2016 or 2015.

8. Derivative instruments

The Company did not have any derivative instruments at December 31, 2016 or 2015.

9. Income taxes

A.

1. The components of the net DTAs recognized in the Company's Statutory Statements of Assets, Liabilities, Surplus and Other Funds are as follows:

	December 31, 2016		
	Ordinary	Capital	Total
(a) Gross DTAs	$7,893,373	$238,670	$8,132,043
(b) Statutory valuation allowance adjustment	(886,336)	0	(886,336)
(c) Adjusted gross DTAs	7,007,037	238,670	7,245,707
(d) DTAs nonadmitted	(1,740,687)	(65,867)	(1,806,554)
(e) Subtotal net admitted DTAs	5,266,350	172,803	5,439,153
(f) DTLs	0	(49,556)	(49,556)
(g) Net admitted DTAs	$5,266,350	$123,247	$5,389,597

	December 31, 2015		
	Ordinary	Capital	Total
(a) Gross DTAs	$8,800,139	$463,028	$9,263,167
(b) Statutory valuation allowance adjustment	(886,336)	0	(886,336)
(c) Adjusted gross DTAs	7,913,803	463,028	8,376,831
(d) DTAs nonadmitted	(2,424,226)	(311,622)	(2,735,848)
(e) Subtotal net admitted DTAs	5,489,577	151,406	5,640,983
(f) DTLs	(14,128)	(61,436)	(75,564)
(g) Net admitted DTAs	$5,475,449	$89,970	$5,565,419

	Change		
	Ordinary	Capital	Total
(a) Gross DTAs	$(906,766)	$(224,358)	$(1,131,124)
(b) Statutory valuation allowance adjustment	(0)	0	(0)
(c) Adjusted gross DTAs	(906,766)	(224,358)	(1,131,124)
(d) DTAs nonadmitted	683,539	245,755	929,294
(e) Subtotal net admitted DTAs	(223,227)	21,397	(201,830)
(f) DTLs	14,128	11,880	26,008
(g) Net admitted DTAs	$(209,099)	$33,277	$(175,822)

2. The amount of admitted gross DTAs admitted under each component of SSAP No. 101:

	December 31, 2016		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$4,602,105	$123,247	$4,725,352
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	664,245	0	664,245
1. Adjusted gross DTAs expected to realized following the balance sheet date	664,245	0	664,245
2. Adjusted gross DTAs allowed per limitation threshold	XX	XX	22,351,707
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	0	49,556	49,556
(d) DTAs admitted as the result of application of SSAP No. 101	$5,266,350	$172,803	$5,439,153

	December 31, 2015		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$4,238,063	$89,970	$4,328,033
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	1,237,386	0	1,237,386
1. Adjusted gross DTAs expected to realized following the balance sheet date	1,237,386	0	1,237,386
2. Adjusted gross DTAs allowed per limitation threshold	XX	XX	16,699,518
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	14,128	61,436	75,564
(d) DTAs admitted as the result of application of SSAP No. 101	$5,489,577	$151,406	$5,640,983

	Change		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$364,042	$33,277	$397,319
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	(573,141)	0	(573,141)
1. Adjusted gross DTAs expected to realized following the balance sheet date	(573,141)	0	(573,141)
2. Adjusted gross DTAs allowed per limitation threshold	XX	XX	5,652,189
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	(14,128)	(11,880)	(26,008)
(d) DTAs admitted as the result of application of SSAP No. 101	$(223,227)	$21,397	$(201,830)

3.

	2016	2015
(a) Ratio percentage used to determine recovery period and threshold limitation amount	931%	713%
(b) Amount of adjusted capital and surplus used to determine recovery period threshold limitation in 2(b)2 above	$149,011,383	$111,330,117

4. The impact of tax planning strategies is as follows:

	December 31, 2016		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	$7,007,037	$238,670	$7,245,707
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	$5,266,350	$172,803	$5,439,153
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%

	December 31, 2015		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	$7,913,803	$463,028	$8,376,831
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	$5,489,577	$151,406	$5,640,983
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%

	Change		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	$(906,766)	$(224,358)	$(1,131,124)
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	$(223,227)	$21,397	$(201,830)
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%

(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes __ No _X_

B. There are no DTLs that were not recognized at December 31, 2016 or 2015.

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

	December 31,		
	2016	2015	Change
1. Current income tax			
(a) Federal	$17,383,634	$13,342,745	$4,040,889
(b) Foreign	-	-	-
(c) Subtotal	17,383,634	13,342,745	4,040,889
(d) Federal income tax on net capital gains	99,080	(136,729)	235,809
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	$17,482,714	$13,206,016	$4,276,698

	December 31, 2016	December 31, 2015	Change
2. DTAs:			
(a) Ordinary			
Claims unpaid	$1,907,347	$1,584,390	$322,957
Unearned premium reserve	87,884	60,888	26,996
Fixed assets	577,456	611,273	(33,817)
Nonadmitted assets	94,951	114,017	(19,066)
Net Operating Loss Carryforward	4,022,874	5,259,216	(1,236,342)
Tax Credit Carryforward	1,163,230	1,163,230	0
Patient-Centered Outcomes Research Institute fee	38,446	0	38,446
Other	1,185	7,125	(5,940)
Total ordinary DTAs	$7,893,373	$8,800,139	$(906,766)
(b) Statutory valuation allowance adjustment	(886,336)	(886,336)	(0)
(c) Non admitted ordinary DTAs	(1,740,687)	(2,424,226)	683,539
(d) Admitted ordinary DTAs	$5,266,350	$5,489,577	$(223,227)
(e) Capital			
Investments	184,897	152,198	32,699
Other	53,773	310,930	(257,057)
Total capital DTAs	238,670	463,028	(224,358)
(f) Statutory valuation allowance adjustment	-	-	-
(g) Non admitted capital DTAs	(65,867)	(311,622)	245,755
(h) Admitted capital DTAs	172,803	151,406	21,397
(i) Admitted DTAs	$5,439,153	$5,640,983	$(201,830)
3. DTLs:			
(a) Ordinary			
Allowance for billing adjustment	-	-	-
Other	0	14,128	(14,128)
Ordinary DTLs	0	14,128	(14,128)
(b) Capital			
Investments	49,556	61,436	(11,880)
Other	-	-	-
Capital DTLs	49,556	61,436	(11,880)
(c) Total DTLs	49,556	75,564	(26,008)
4. Net admitted DTAs	$5,389,597	$5,565,419	$(175,822)

The change in net deferred income taxes is comprised of the following:

	December 31, 2016	December 31, 2015	Change
Total DTAs	$7,245,707	$8,376,831	$(1,131,124)
Total DTLs	(49,556)	(75,564)	26,008
Net DTAs/(DTLs)	$7,196,151	$8,301,267	$(1,105,116)
Tax effect of unrealized gains (losses)			257,057
Change in net deferred income tax			$(848,059)

The valuation allowance adjustment to gross DTAs was $886,336 for December 31, 2016 and 2015.

D. The provision for federal income taxes is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The items causing this difference were as follows:

	December 31, 2016	Effective tax rate	December 31, 2015	Effective tax rate
Provision computed at statutory rate	$19,103,121	35.0%	$15,958,471	35.0%
Health Insurer Fee	5,131,882	9.4%	5,016,200	11.0%
Transfer pricing adjustment	(4,756,072)	-8.7%	(4,506,256)	-9.9%
Tax exempt income	(941,327)	-1.7%	0	0.0%
Change in nonadmitted assets	19,066	0.0%	(83,953)	-0.2%
Prior year true-up adjustment	(238,219)	-0.4%	478,370	1.0%
Change in statutory valuation allowance	0	0.00%	0	0.0%
Other	12,322	0.00%	(2,036,633)	-4.3%
Total	$18,330,773	33.6%	$14,826,199	32.6%
Federal and foreign income tax expense incurred	$17,482,714	32%	$13,206,016	29.0%
Change in net deferred income taxes	848,059	1.6%	1,620,183	3.6%
Total statutory income taxes	$18,330,773	33.6%	$14,826,199	32.6%

The transfer pricing adjustment allows taxpayers to apply different methods to price current period intercompany services at arm's length prices as compared to what would be charged to an unrelated entity, which results in a permanent deduction for tax reporting purposes.

E.

1. At December 31, 2016, the Company had no net capital loss carryforwards and net operating loss carryforwards of $11,493,925 for tax purposes.

2. The amount of federal income taxes incurred that is available for recoupment in the event of future net losses is $30,084,653 and $12,374,552 for the years ended December 31, 2016 and 2015, respectively.

3. The Company did not report any deposits as admitted assets under Internal Revenue Code Section 6603 at December 31, 2016 and 2015.

F.

1. At December 31, 2016, the Company's Federal Income Tax Return was consolidated with the following entities:

Aetna Inc.
@ Credentials Inc.
Active Health Management Inc.
Adminco, Inc.
Administrative Enterprises, Inc.
AE Fourteen Incorporated
Aetna ACO Holdings, Inc.
Aetna Better Health Inc. (Connecticut)
Aetna Better Health Inc. (Georgia)
Aetna Better Health Inc. (Illinois)
Aetna Better Health Inc. (New Jersey)
Aetna Better Health Inc. (New York)
Aetna Better Health Inc. (Ohio)
Aetna Better Health Inc. (Missouri)
Aetna Better Health Inc. (Tennessee)
Aetna Better Health of California Inc.
Aetna Better Health of Iowa Inc.
Aetna Better Health of Kansas Inc.
Aetna Better Health of Kentucky Insurance Company
Aetna Better Health of Michigan Inc.
Aetna Better Health of Missouri LLC
Aetna Better Health of Nevada Inc.
Aetna Better Health of Oklahoma Inc.
Aetna Better Health of Texas Inc.
Aetna Better Health, Inc. (Louisiana)
Aetna Dental Inc. (New Jersey)
Aetna Dental Inc. (Texas)
Broadspire National Services, Inc.
bswift, LLC
Carefree Insurance Services, Inc.
Claims Administration Corporation
Cofinity, Inc.
Corporate Benefit Strategies, Inc.
Coventry Consumer Advantage, Inc.
Coventry Health and Life Insurance Company
Coventry Health Care National Accounts, Inc.
Coventry Health Care National Network, Inc.
Coventry Health Care of Delaware, Inc.
Coventry Health Care of Florida, Inc.
Coventry Health Care of Illinois, Inc.
Coventry Health Care of Kansas, Inc.
Coventry Health Care of Missouri, Inc.
Coventry Health Care of Nebraska, Inc.
Coventry Health Care of the Carolinas, Inc.
Coventry Health Care of Virginia, Inc.
Coventry Health Care of West Virginia, Inc.
Coventry Health Care Workers' Compensation, Inc.
Coventry Health Plan of Florida, Inc.
Coventry HealthCare Management Corporation
Coventry Prescription Management Services, Inc.
Coventry Rehabilitation Services, Inc.
Coventry Transplant Network, Inc.
Delaware Physicians Care, Incorporated
Echo Merger Sub, Inc.
First Health Group Corp.

Aetna Dental of California Inc.
Aetna Florida Inc. (fka Aetna Better Health Inc. (Florida))
Aetna Health and Life Insurance Company
Aetna Health Inc. (Connecticut)
Aetna Health Inc. (Florida)
Aetna Health Inc. (Georgia)
Aetna Health Inc. (Louisiana)
Aetna Health Inc. (Maine)
Aetna Health Inc. (Michigan)
Aetna Health Inc. (New Jersey)
Aetna Health Inc. (New York)
Aetna Health Inc. (Missouri)
Aetna Health Inc. (Texas)
Aetna Health Insurance Company
Aetna Health Insurance Company of New York
Aetna Health of California, Inc.
Aetna Health of Iowa Inc. (fka Aetna Health Inc. (Iowa))
Aetna Health of Utah, Inc.
Aetna HealthAssurance Missouri, Inc.
Aetna Insurance Company of Connecticut
Aetna Integrated Informatics, Inc.
Aetna International Inc.
Aetna Ireland Inc.
Aetna Life & Casualty (Bermuda) Ltd.
Aetna Life Assignment Company
Aetna Life Insurance Company
Aetna Risk Assurance Company of Connecticut, Inc.
Aetna Student Health Agency Inc.
AHP Holdings, Inc.
Allviant Corporation
American Health Holding, Inc.
AUSHC Holdings, Inc.
First Health Life and Health Insurance Company
First Script Network Services, Inc.
Florida Health Plan Administrators, LLC
FOCUS Healthcare Management, Inc.
Futrix Inc.
Group Dental Service of Maryland, Inc.
Group Dental Service, Inc.
Health and Human Resource Center, Inc.
Health Data & Management Solutions, Inc.
Health Re, Incorporated
HealthAmerica Missouri, Inc.
HealthAssurance Missouri, Inc.
Managed Care Coordinators, Inc.
Medicity Inc.
Mental Health Associates, Inc.
Mental Health Network of New York IPA, Inc.
Meritain Health, Inc.
MetraComp, Inc.
MHNet Life and Health Insurance Company
MHNet of Florida, Inc.
Niagara Re, Inc.
PayFlex Holdings, Inc.
PayFlex Systems USA, Inc.
Performax, Inc.
Precision Benefit Services, Inc.
Prime Net, Inc.
Prodigy Health Group, Inc.
Professional Risk Management, Inc.
Resources for Living, LLC
Schaller Anderson Medical Administrators, Incorporated
Strategic Resource Company
The Vasquez Group Inc.
U.S. Health Care Properties, Inc.
Work and Family Benefits, Inc.

2. As explained in Note 1, the Company participates in a tax sharing agreement with its parent and affiliates.

G. The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information concerning Parent, subsidiaries, affiliates, and other related parties

A., B. and C.

The Company did not pay any dividends in 2016 or 2015. The Company did not receive any capital contributions in 2016 or 2015.

D. Amounts due to and due from affiliates shown in the accompanying Statutory Statements of Assets, Liabilities, Capital and Surplus include the Company's net receipts and disbursements processed by affiliates and transactions related to its administrative services agreement with Aetna Health Management, LLC (“AHM”), indirectly a wholly-owned subsidiary of Aetna.

At December 31, 2016 and 2015, the Company had the following amounts due to and due from affiliates, which exclude amounts related to pharmacy rebate transactions as discussed more fully in Note 28 and the Company's reinsurance agreement:

	December 31, 2016	December 31, 2015
Amounts due to affiliates		
Coventry Prescription Management Services	$136,640	-
Coventry Health Care of Kansas	16,743	-
Others not individually listed	-	2,462
	$153,383	$2,462
Amounts due from affiliates		
Aetna Health Management, LLC	$41,082,184	$8,551,848
Coventry Health & Life Insurance Co.	21,449,356	35,463,023
Group Dental Services, Inc.	13,409	204,477
Others not individually listed	-	11
	$62,544,949	$44,219,359

The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

E. At December 31, 2016, the Company has a guarantor agreement with Aetna. The agreement provides that in the event of the Company's insolvency, Aetna will pay all expenses and claims incurred by the Company during insolvency pursuant to the obligation with employer groups and subscribers until the end of the subscription contract period for which premiums have been received.

F. As of and for the years ended December 31, 2016 and 2015, the Company had the following significant transactions with affiliates:

The Company and AHM are parties to an administrative services agreement, under which AHM provides certain administrative services, including accounting and processing of premiums and claims. Under this agreement, the Company remits a percentage of its earned commercial, Medicaid and Medicare premium revenue, as applicable, to AHM as a fee, subject to an annual true-up mechanism as defined in the agreement. Under the agreement, this true-up is due to be settled with the affiliate by April 15th of the following contract year (which is January 1 to December 31 annually). The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter. For these services, the Company was charged the following:

	2016	2015
Administrative service fee	$86,154,048	$94,742,521
Current year estimated accrued true-up	-	143,356
Total administrative service fee	$86,154,048	$94,885,877

These agreements also provide for interest on all intercompany balances. Interest earned on amounts due from/to affiliates was $113,962 in 2016 and $53,974 in 2015.

The amounts reported on the Underwriting and Investment Exhibit, Part 3 represent the expenses incurred under the terms of the administrative agreement, allocated to the Company in accordance SSAP No. 70 - *Allocation of Expenses* ("SSAP No. 70"). SSAP No. 70 states "shared expenses, including expenses under the terms of a management contract, shall be apportioned to the entities incurring the expense as if the expense had been paid solely by the incurring entity. The apportionment shall be completed based upon specific identification to the entity incurring the expense. Where specific identification is not feasible, apportionment shall be based upon pertinent factors or ratios." The Company allocates these expenses based upon a percentage calculated using actual general and administrative expenses incurred by AHM.

The Company is a party to an agreement with Coventry Prescription Management Services, Inc. ("CPMS"), indirectly a wholly-owned subsidiary of Aetna. For the Company's commercial business, CPMS pays pharmacy claims on the Company's behalf. The Company pays a monthly fee to CPMS for services provided during the month which is calculated using a per member per month ("PMPM") administrative rate. The PMPM rate changes yearly and the agreements are approved each year by the Department of Insurance. All payments by the Company to CPMS are reduced by a PMPM rebate credit. The Company paid CPMS $2,329,047 and $2,671,355 in capitation fees for years ended December 31, 2016 and 2015, respectively. CPMS paid the Company $224,578 and $260,050, in Rx rebates for years ended December 31, 2016 and 2015, respectively.

The Company's Medicare and ASO business is a party to an agreement which enables the Company to receive manufacturers' pharmacy rebates from AHM under which the Company remits a percentage of its earned pharmaceutical rebates to AHM as a fee. The Company earned pharmaceutical rebates of $27,719,155 and $24,917,472, which were recorded as a reduction of medical costs, in 2016 and 2015, respectively. The Company was charged $2,749,468 and $2,491,504, which were recorded as administrative expenses, for these services in 2016 and 2015, respectively. At December 31, 2016 and 2015, the Company reported $2,211,760 and $2,033,891, respectively, as amounts due from AHM related to the pharmaceutical rebates which were reflected in health care and other amounts receivable. The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

MHNet Specialty Services, L.L.C. ("MHNet"), indirectly a wholly-owned subsidiary of Aetna, provides mental health services to the Company's members. The Company pays MHNet a monthly fee based on a PMPM capitation rate. The Company paid $6,519,883 and $7,610,643 in capitation fees for the years ended December 31, 2016 and 2015, respectively.

The Company has coverage for certain litigation exposurers ($10,000,000 per claim and in the aggregate including defense costs) through an affiliated captive insurance company.

As explained in Note 1, the Company participates in a tax sharing agreement with Aetna and Aetna's other subsidiaries. All federal income tax receivables/payables are due from/due to Aetna.

Effective June 1, 2016, the Company entered into a Sale and Purchase Agreement with Coventry Health Care of Kansas, Inc. ("CHC-KS"), indirectly a wholly-owned subsidiary of Aetna, whereby, CHC-KS assigned, sold, transferred and set over to the Company all of their assets and liabilities arising out of or relating to CHC-KS's operation of Medicare Advantage plans, whether arising before, on or after the date of the agreement.

G. All outstanding shares of the Company are owned by Aetna Health Holdings, LLC, whose ultimate parent is Aetna.

H. At December 31, 2016, the Company did not own shares of any upstream intermediate of Aetna.

I. At December 31, 2016, the Company did not hold any investments in any subsidiary, controlled or affiliated ("SCA") entity that exceeded 10% of the Company's admitted assets.

J. At December 31, 2016, the Company did not hold any investments in any impaired SCA entity.

K. At December 31, 2016, the Company did not hold any investments in any foreign insurance subsidiaries.

L. 1. and 2.

At December 31, 2016, the Company did not hold any investments in any downstream non-insurance holding company.

M. All SCA Investments

Description of SCA Investment (excluding 8.b.i entities)	Gross Amount (Balance Sheet column 1)	Nonadmitted Amount (Balance Sheet Column 2)	Admitted Asset Amount (Balance Sheet Column 3)	Date of Filing to NAIC	Type of NAIC Filing (Sub-1, Sub-2, or Resubmission of Disallowed Filing)	NAIC Response Received (yes/no)	NAIC Valuation (Amount)	NAIC Disallowed Entity's Valuation Method, Resubmission Required (yes/no)
Aetna ACO Holdings, Inc.	-	-	-	-	-	N/A	N/A	N/A

A. The Company does not have any SCA investments.

N. At December 31, 2016, the Company did not have any investments in an insurance SCA.

11. Debt

A. The Company did not have any items related to debt, including capital notes at December 31, 2016.

B. The Company did not have any Federal Home Loan Bank agreements at December 31, 2016.

12. Retirement plans, deferred compensation, postemployment benefits and compensated absences and other postretirement benefit plans

The Company did not have a retirement plan, deferred compensation plan, or other postretirement benefit plan at December 31, 2016 or 2015.

13. Capital and surplus, shareholders' dividend restrictions and quasi-reorganizations

(1) The Company had 10 shares of common stock with a par value of $1.00 authorized, issued and outstanding at December 31, 2016 and 2015.

(2) The Company had no shares of preferred stock issued and outstanding at December 31, 2016 and 2015.

(3) Dividend restrictions

In accordance with Missouri statutes, the Company shall not pay any extraordinary dividend unless the Company has notified the Missouri Department in writing at least 30 days prior thereto or such shorter period as the Missouri Department may permit and the Missouri Department has not disapproved it within such period. An extraordinary dividend is any dividend or other distribution which, together with other dividends and distributions made within the preceding 12 months, exceeds the greater of: ten percent of such insurer's surplus as regards policyholders as of the preceding December 31; or the net income of such insurer for the period covered by such statement, but shall not include pro rata distributions of any class of the insurer's on securities. The Company may not make a non-extraordinary dividend without prior notification to the Missouri Department within five business days following the declaration thereto and at least ten days, commencing from the date of receipt by the Missouri Department, prior to the payment thereof. Ordinary dividends are ultimately limited to earned surplus.

(4) The Company did not pay any dividends in 2016 or 2015.

(5) At December 31, 2016 and 2015, there was $37.1 million and $11.7 million, respectively, of the Company's profits that may be paid as ordinary dividends to its shareholder without prior approval from the Missouri Department.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus was being held at December 31, 2016 or 2015, except as noted in Note 21.

(7) Not applicable to the Company.

(8) The Company did not hold any stock for any special purposes at December 31, 2016 or 2015.

(9) Changes in the balances of special surplus funds from the prior year are due to the accrual of estimated ACA health insurer fees reclassified from unassigned funds or surplus to aggregate write-ins for special surplus funds as discussed more fully in Note 1.C and Note 22.

(10) At December 31, 2016 and 2015, there was $734,453 and $633,861, respectively, of unassigned funds that was represented or reduced by unrealized gains and losses.

(11) The Company has not issued any surplus notes or debentures or similar obligations at December 31, 2016 or 2015.

(12) The Company did not participate in any quasi-reorganization during the statement year.

(13) The Company did not participate in any quasi-reorganization in the past 10 years.

14. Liabilities, contingencies and assessments

A. The Company did not have any contingent commitments at December 31, 2016 or 2015.

B. Assessments

Guaranty fund assessments

Under guaranty fund laws existing in all states, insurers doing business in those states can be assessed (in most states up to prescribed limits) for certain obligations of insolvent insurance companies to policyholders and claimants. The life and health insurance guaranty associations in which Aetna and certain of its affiliates, including the Company (collectively, “we”, “our”, or “us”) participate that operate under these laws respond to insolvencies of long-term care insurers as well as health insurers. Our assessments generally are based on a formula relating to our health care premiums in the state compared to the premiums of other insurers. Certain states allow assessments to be recovered over time as offsets to premium taxes. Some states have similar laws relating to HMOs and/or other payors such as not-for-profit consumer-governed health plans established under Health Care Reform.

The Company had no assets recognized from paid and accrued premium tax offsets and policy surcharges at December 31, 2016 and 2015.

C. The Company did not have any gain contingencies at December 31, 2016 or 2015.

D. The Company did not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits at December 31, 2016 or 2015.

E. The Company did not have any joint and several liability arrangements at December 31, 2016 or 2015.

F. Various liabilities arise in the normal course of the Company's business and have been recorded. In the opinion of management, any ultimate contingent losses will not have a material adverse effect on the Company's future results of operations and financial position. The Company, to the best of its knowledge, has no assets that it considers impaired that are not already recorded in the Company's books. The Company has coverage for certain litigation exposures ($10,000,000 per claim and in the aggregate including defense costs) through an unaffiliated insurance company.

15. Leases

The Company did not have any material lease obligations at December 31, 2016 or 2015.

16. Information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk

The Company did not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk at December 31, 2016 or 2015.

17. Sale, transfer and servicing of financial assets and extinguishments of liabilities

A. Transfers of receivables reported as sales

(1) The Company did not have any transfers of receivables as sales for the years ending December 31, 2016 and 2015.

B. Transfer and servicing of financial assets

(1) The Company's policy for requiring collateral or other security for security lending transactions as required in SSAP No. 103 is discussed in Note 1. The Company did not have any loaned securities at December 31, 2016 and 2015.

(2) and (3)

The Company did not have any servicing assets or liabilities at December 31, 2016 or 2015.

(4) The Company did not have any securitized financial assets at December 31, 2016 or 2015.

(5) The Company did not have any transfers of financial assets at December 31, 2016 or 2015.

(6) The Company did not have any transfers of receivables with recourse at December 31, 2016 or 2015.

(7) The Company did not have any repurchase or reverse repurchase agreements at December 31, 2016 or 2015.

C. Wash sales

(1) The Company did not have any wash sales for the years ending December 31, 2016 or 2015.

18. Gain or loss to the HMO from uninsured plans and the uninsured portion of partially insured plans

A.

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2015:

		ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a.	Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ 11,920,848	$	$ 11,920,848
b.	Total net other income or expenses (including interest paid to or received from plans)	$	$	$ 0
c.	Net gain or (loss) from operations	$ 11,920,848	$ 0	$ 11,920,848
d.	Total claim payment volume	$ 903,573,044	$	$ 903,573,044

B. The Company did not serve as an Administrative Services Contract plan administrator for uninsured accident and health plans or the uninsured portion of partially insured plans for the period ended December 31, 2016.

C. At December 31, 2016 and 2015, the Company had reinsurance, low-income subsidy (cost sharing portion), and CMS coverage gap discount receivables of $4,288,244 and $11,985,722, respectively, from Centers for Medicare & Medicaid Services ("CMS"), which are accounted for as amounts receivable relating to uninsured plans on the Statutory Statements of Assets, as per SSAP No. 47 - *Uninsured Plans*. The Company had no liability for amounts held under uninsured plans at December 31, 2016 or 2015. These items relate to the Company's Medicare product offerings.

19. Direct premium written/produced by managing general agents/third party administrators

The Company did not have any material direct premiums written through/produced by managing general agents or third party administrators for the years ended December 31, 2016 and 2015.

20. Fair value measurements

A. and B.

The Company had no material assets or liabilities measured and reported at fair value at December 31, 2016 or 2015.

C. Certain of the Company's financial instruments are measured at fair value in the financial statements. The fair values of these instruments are based on valuations that include inputs that can be classified within one of three levels of a hierarchy established by U.S. generally accepted accounting principles. The following are the levels of the hierarchy and a brief description of the type of valuation information ("inputs") that qualifies a financial asset or liability for each level:

- **Level 1** – Unadjusted quoted prices for identical assets or liabilities in active markets.
- **Level 2** – Inputs other than Level 1 that are based on observable market data. These include: quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, inputs that are observable that are not prices (such as interest rates and credit risks) and inputs that are derived from or corroborated by observable markets.
- **Level 3** – Developed from unobservable data, reflecting our own assumptions.

Financial assets and liabilities are classified based upon the lowest level of input that is significant to the valuation. When quoted prices in active markets for identical assets and liabilities are available, we use these quoted market prices to determine the fair value of financial assets and liabilities and classify these assets and liabilities as Level 1. In other cases where a quoted market price for identical assets and liabilities in an active market is either not available or not observable, we estimate fair value using valuation methodologies based on available and observable market information or by using a matrix pricing model. These financial assets and liabilities would then be classified as Level 2. If quoted market prices are not available, we determine fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. Thus, financial assets and liabilities may be classified in Level 3 even though there may be some significant inputs that may be observable.

The carrying values and estimated fair values of the Company's financial instruments at December 31, 2016 and 2015 were as follows:

December 31, 2016

	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3	Not practicable (carrying value)
Bonds, short-term investments and cash equivalents	$257,640,697	$254,097,130	$13,544,090	$244,096,607	-	-
Total	$257,640,697	$254,097,130	$13,544,090	$244,096,607	-	-

December 31, 2015

	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3	Not practicable (carrying value)
Bonds, short-term investments and cash equivalents	$189,655,389	$183,114,289	$8,676,656	$180,978,733	$-	-
Total	$189,655,389	$183,114,289	$8,676,656	$180,978,733	$-	-

The valuation methods and assumptions used by the Company in estimating the fair value of debt securities are discussed in Note 1.

There were no material realized and unrealized capital gains, purchases, sales, settlements, or transfers into or out of the Company's Level 3 financial assets during 2016 or 2015. There were no transfers between the Company's Level 1 and 2 financial assets during 2016 or 2015.

In evaluating the Company's management of interest rate and liquidity risk and currency exposures, the fair values of all assets and liabilities should be taken into consideration, not only those presented above.

D. The Company did not have any financial instruments where it was not practicable to estimate the fair value.

21. Other items

A. Extraordinary items

The Company did not have any extraordinary items for the years ended December 31, 2016 and 2015.

B. Troubled debt restructuring: debtors

The Company did not have any troubled debt restructuring in the years ended December 31, 2016 and 2015.

C. Other disclosures and unusual items

(1) Minimum capital and surplus

Pursuant to the laws of the states in which the Company is licensed to do business, the Company is required to maintain a minimum surplus and capital stock as defined by the statutes and regulations of those states. At both December 31, 2016 and 2015, the Company was in compliance with the minimum surplus and capital stock requirements of the states in which it is licensed to do business.

The NAIC and the State of Missouri adopted risk-based capital ("RBC") standards for health organizations, including HMOs, that are designed to identify weakly capitalized companies by comparing each company's adjusted capital and surplus to its required capital and surplus (the "RBC Ratio"). The RBC Ratio is designed to reflect the risk profile of the company. Within certain ratio ranges, regulators have increasing authority to take action as the RBC Ratio decreases. There are four levels of regulatory action, ranging from requiring insurers to submit a comprehensive plan to the state insurance commissioner to requiring the state insurance commissioner to place the insurer under regulatory control. At December 31, 2016 and 2015, the Company had capital and surplus that exceeded the highest threshold specified by the RBC rules.

(2) Health Care Reform

The Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (as amended, collectively, "Health Care Reform" or "ACA"), has made broad-based changes to the

U.S. health care system. On January 20, 2017, the President signed an executive order that gives the regulatory agencies that enforce the ACA the authority to interpret regulations issued under the ACA in a way that limits fiscal burdens on states and financial or regulatory burdens on individuals, providers, health insurers and others. The practical implications of that order are unclear, and the future of the ACA is uncertain. While we anticipate efforts in 2017 and beyond to substantially modify, repeal or replace the ACA, the Company expects aspects of the ACA to continue to significantly impact the Company's business operations and operating results, including the Company's pricing, medical benefit ratios and the geographies in which the Company's products are available. Health Care Reform has presented the Company with business opportunities, but also with financial and regulatory challenges. Most of the ACA's key components were phased in during or prior to 2014, including Public Exchanges, required minimum MLRs in commercial and Medicare products, the individual coverage mandate, guaranteed issue, rating limits in individual and small group products, significant new industry-wide fees, assessments and taxes, enhanced premium rate review and disclosure processes, reduced Medicare Advantage payment rates to insurers, and linking Medicare Advantage payments to a plan's CMS quality performance ratings or "star ratings." The effects of these changes are reflected in the Company's operating results. If the ACA is not amended, repealed or replaced, certain of its components will continue to be phased in until 2020.

The Company has dedicated and expects to continue to be required to dedicate significant resources and incur significant expenses during 2017 to implement and comply with Health Care Reform and changes in Health Care Reform as well as state level health care reform. While most of the significant aspects of Health Care Reform became effective during or prior to 2014, significant parts of Health Care Reform, including aspects of nondiscrimination requirements, continue to evolve through the promulgation of executive orders, regulations and guidance. Additional changes to Health Care Reform and those regulations and guidance at the federal and/or state level are likely, and those changes are likely to be significant. Growing state and federal budgetary pressures make it more likely that any changes, including changes at the state level in response to changes to, or repeal or replacement of, Health Care Reform and/or changes in the funding levels and/or payment mechanisms of federally supported benefit programs will be adverse to us. Given the inherent difficulty of foreseeing the nature and scope of future changes to Health Care Reform and how states, businesses and individuals will respond to those changes, the Company cannot predict the impact to the Company of future changes to Health Care Reform. It is reasonably possible that repeal or replacement of or other changes to Health Care Reform and/or states' responses to such changes, in the aggregate, could have a significant adverse effect on the Company's business operations and financial results.

Potential repeal of Health Care Reform, ongoing legislative and regulatory changes to Health Care Reform, other pending efforts in the U.S. Congress to amend or restrict funding for various aspects of Health Care Reform (including risk corridors and Health Care Reform's Cost Sharing Subsidy program), the results of the 2016 presidential, congressional and state level elections, pending litigation challenging aspects of the law and federal budget negotiations continue to create uncertainty about the ultimate impact of Health Care Reform. Examples of recent legislative and regulatory changes include: the January 20, 2017 executive order relating to Health Care Reform; the November 2016 HHS announcement that risk corridor collections for the 2015 program year will be applied first to amounts owed to plans for the 2014 program year; the May 2016 final regulations relating to Health Care Reform's non-discrimination requirements; the December 2015 suspension of the health insurer fee for 2017 and two year delay of the "Cadillac" tax on high-cost employer-sponsored health coverage; the October 2015 PACE, which leaves groups with 51 to 100 employees within the large group category for each state unless the state exercises its option to include these groups within the small group category; and the October 2015 HHS announcement that Health Care Reform's risk corridor receivables for the 2014 program year would only be funded at 12.6%. With respect to pending litigation, in May 2016, the U.S. District Court for the District of Columbia ruled that the U.S. Department of Health and Human Services does not have the authority to make payments under Health Care Reform's Cost Sharing Subsidy program. Implementation of this decision has been stayed pending appeal. A final ruling that adversely impacts the Cost Sharing Subsidy program could cause significant adverse selection in individual Public Exchange products and instability in the individual Public Exchange marketplace and could have a material adverse effect on the Company's business, cash flows, financial condition and operating results as well as hinder the Company's ability to offer Public Exchange products.

As described above, the availability of funding for Health Care Reform's temporary risk corridor program is an example of this uncertainty. The Company continues to believe that receipt of any risk corridor payment from HHS for the 2016 or 2015 program year and receipt of such payments in excess of the announced prorated amount for the 2014 program year are uncertain. At December 31, 2016, the Company had a no receivable for the remaining 2014 program year prorated amount that had not been collected from HHS and had no receivable for either of the 2015 or 2016 program years. In addition, these limited risk corridor payments created additional instability in the marketplace for individual commercial products in 2016 and going forward by contributing to decisions by health plans to change or stop offering their Public Exchange products. 2016 was the last program year for Health Care Reform's risk corridor program. On-going uncertainty regarding the funding of Health Care Reform-related programs and subsidies can be expected to create additional instability in the marketplace.

In addition to efforts to amend, repeal or replace Health Care Reform and the related regulations, the federal and state governments also continue to enact and seriously consider many other broad-based legislative and regulatory proposals that have had a material impact on or could materially impact various aspects of the health care and related benefits system and the Company's business. The Company cannot predict whether pending or future federal or state legislation or court proceedings, including future

U.S. Congressional appropriations, will change various aspects of the health care and related benefits system or Health Care Reform or the impact those changes will have on the Company's business operations or operating results, but the effects could be materially adverse.

In addition, Health Care Reform ties a portion of each Medicare Advantage plans' reimbursement to the achievement of favorable CMS quality performance measures ("star ratings"). Since 2015, only Medicare Advantage plans with an overall star rating of four or more stars (out of five stars) are eligible for a quality bonus in their basic premium rates. As a result, the Company's Medicare Advantage plans' operating results in 2017 and going forward will be significantly affected by their star ratings.

(3) Medicare

The Company's Medicare Advantage and Standalone Prescription Drug Plan ("PDP") products are heavily regulated by CMS. The regulations and contractual requirements applicable to the Company and other private participants in Medicare programs are complex, expensive to comply with and subject to change. For example, in the second quarter of 2014, CMS issued a final rule implementing the Health Care Reform requirements that Medicare Advantage and PDP plans report and refund to CMS overpayments that those plans receive from CMS. The precise interpretation, impact and legality of this rule are not clear and are subject to pending litigation. The Company has invested significant resources to comply with Medicare standards, and the Company's Medicare compliance efforts will continue to require significant resources. CMS may seek premium and other refunds, prohibit the Company from continuing to market and/or enroll members in or refuse to passively enroll members in one or more of the Company's Medicare or Medicare-Medicaid demonstration (historically known as "dual eligible") plans, exclude the Company from participating in one or more Medicare or dual eligible programs and/or institute other sanctions against the Company if the Company fails to comply with CMS regulations or the Company's Medicare contractual requirements.

(4) Federal Employees Health Benefits Program

The Company does not have any contracts with the OPM to provide managed health care services under the FEHB program in its service areas.

D. The Company did not have any business interruption insurance recoveries for the years ending December 31, 2016 or 2015.

E. The Company did not have any transferable and non-transferable state tax credits for the years ending December 31, 2016 or 2015.

F. The Company did not have any subprime mortgage related risk exposures at December 31, 2016 or 2015.

G. The Company did not have any retained assets at December 31, 2016 or 2015.

H. The Company did not have any insurance-linked securities ("ILS") contracts at December 31, 2016 or 2015.

22. Events subsequent

A. Type I - Recognized subsequent events

Subsequent events have been considered through February 24 2017 for the statutory statement issued on March 1, 2017.

The Company had no known reportable recognized subsequent events.

B. Type II - Nonrecognized subsequent events

Subsequent events have been considered through February 24 2017 for the statutory statement issued on March 1, 2017.

As discussed in Note 1, in December 2015, the Consolidated Appropriation Act was enacted which included a one year suspension in 2017 of the health insurer fee. As a result, there is no annual health insurance industry fee payable on September 30, 2017 and there are no amounts reflected in the Company's aggregate write-ins for special surplus funds related to this payable at December 31, 2016 as a result. There is also no resulting impact to the Company's RBC to assess as of December 31, 2016 as a result of this suspension.

		Current year	Prior year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	No	
B.	ACA fee assessment payable for upcoming year	-	$14,930,000
C.	ACA fee assessment paid	$14,662,521	$14,332,000
D.	Premium written subject to ACA 9010 assessment	-	$820,847,941
E.	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	-	
F.	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	-	
G.	Authorized Control Level after surplus adjustment (Five-Year Historical Line 15)	-	
H.	Would reporting the ACA assessment as of December 31, 2016, have triggered an RBC action level (YES/NO)?	No	

23. Reinsurance

Effective March 1, 2016, the Company entered into a quota share reinsurance agreement with Fresenius Medical Care Reinsurance Company (Cayman) LTD ("Fresenius"), an affiliate of Fresenius Medical Care Holdings, Inc., covering Medicare Advantage Plans. Under this agreement, the Company will cede to Fresenius and Fresenius shall reinsure 100% of eligible expenses incurred per program participant per agreement year. The Company paid reinsurance premiums of $2,807,782 in 2016 related to this agreement. The Company realized net reinsurance recoveries of $220,439 in 2016 related to this agreement. Total funds withheld attributable to this agreement were $62,374 at December 31, 2016, as reported in the Statutory Statements of Liabilities, Capital and Surplus.

Effective May 1, 2011, the Company entered into a Quota Share Reinsurance Agreement with an affiliate, Coventry Health Care of Kansas, Inc. ('CHC-KS'), indirectly a wholly-owned subsidiary of Aetna. In consideration for the performance of the agreement, the Company shall pay the CHC-KS 100% of the amount the Company receives from CMS for the Southwest Missouri and Oklahoma Medicare HMO membership which was $225,479,220 and $189,582,037 for the years ended December 31, 2015 and 2014, respectively, and is included within premium revenue. The CHC-KS accepts as reinsurance from the Company 100% quota share participation with respect to any losses which was $186,286,895 and $158,411,156 for the years ended December 31, 2015 and 2014, respectively, and is included within health benefits expense.

Effective February 1, 2014, the Company entered into a Quota Share Reinsurance Agreement with an affiliate, Coventry Health Care of Illinois, Inc. ('CHC-IL'), indirectly a wholly-owned subsidiary of Aetna. In consideration for the performance of the agreement, the Company shall pay the CHC-IL 100% of the amount the Company receives from CMS for the Illinois Medicare HMO membership which was $79,419,334 and $67,770,306 for the years ended December 31, 2015 and 2014, respectively, and is included within premium revenue. The CHC-IL accepts as reinsurance from the Company 100% quota share participation with respect to any losses which was $73,316,390 and $58,837,289 for the years ended December 31, 2015 and 2014, respectively, and is included within health benefits expense.

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 an insured or any other person not primarily engaged in the insurance business?
Yes (X) No ( )
If yes, give full details.

Fresenius is located in the Cayman Islands and is an affiliate of Fresenius Medicare Care Holdings, Inc. (not primarily engaged in the insurance business).

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 nonpayment of premium or other similar credit?
Yes (X) No ( )

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.
$ N/A .

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 insurer 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.
$226,810 .

(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 credit, whether an asset or a reduction of liability, taken for such new agreements or amendments? $ N/A .

B. The Company did not have uncollectible reinsurance at December 31, 2016.

C. The Company did not have any commutation of ceded reinsurance at December 31, 2016.

D. The Company's certified reinsurer's rating has not been downgraded or its status subject to revocation at December 31, 2016.

24. Retrospectively rated contracts and contracts subject to redetermination

A. Through annual contracts with CMS, the Company offers HMO plans for Medicare-eligible individuals through the Medicare Advantage program. Members typically receive enhanced benefits over standard Medicare fee-for-service coverage, including reduced cost-sharing for preventative care, vision and other non-Medicare services. Members also typically receive coverage for certain prescription drugs, usually subject to a deductible, co-insurance and/or co-payment. The revenues ultimately received by the Company for each member are based on that member's health status and demographic characteristics, as determined via the CMS risk adjustment process, under which the Company regularly submits risk adjustment data to CMS. As such, at December 31, 2016 the Company records a receivable for future revenues that it expects to receive from CMS in the third quarter of 2017, after the final reconciliation of risk adjustment data for contract year 2016 is complete. The Company estimates this receivable by taking into account risk adjustment data for contract year 2016 submitted to CMS prior to December 31, 2017, as well as its estimate of the impact of risk adjustment data for contract year 2016 that will be submitted prior to the appropriate regulatory deadline in early 2017. These amounts are recognized in 2016 as premiums under contracts subject to redetermination. In addition, the Company's Medicare Advantage contracts are subject to retrospective rating provisions under which the Company and CMS share in amounts above and below agreed-upon target medical benefit ratios.

B. These accrued retrospective premiums, if any, are recorded through premiums and are estimated based on calculations that compare the Company's expected financial results for the contract against the appropriate medical benefit ratio target. The Company had net premiums written of $893,292,805 and $546,924,648 related to its agreements with CMS for the years ending December 31, 2016 and 2015, respectively, representing 98.6% for 2016 and 97.0% for 2015 of total premium revenue. The Company had net premiums receivable of $542,603 and $484,058 related to its agreements with CMS at December 31, 2016 and 2015 respectively, representing 98.3% for 2016 and 98.6% for 2015 of total premiums receivable.

C. Contracts subject to redetermination

NONE

.

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

The Company is required to make premium rebate payments to customers that are enrolled under certain health insurance policies if specific minimum annual MLR were not met in the prior year. The Company's results for full-year 2016 and 2015 included an estimate of $15,094,431 and $284,884, respectively, of minimum MLR rebates, which were included in aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus. The Company did not paid any minimum MLR rebates in 2016 for the year 2015 or in 2015 for the year 2014.

	Individual	Small group employer	Large group employer	Other categories with rebates	Total
Prior reporting year					
(1) Medical loss ratio rebates incurred	-	-	-	$284,884	-
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	-	284,884	284,884
(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	$284,884
Current reporting year-to-date					
(7) Medical loss ratio rebates incurred	-	-	-	$14,809,547	$14,809,547
(8) Medical loss ratio rebates paid	-	-	-	-	-
(9) Medical loss ratio rebates unpaid	-	-	-	$15,094,431	$15,094,431
(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	$15,094,431

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 ACA risk sharing provisions (YES/NO)? Yes

Line items below where the amount is zero are due to no activity as of the reporting date.

(2) Impact of Risk Sharing Provisions of the ACA on Admitted Assets, Liabilities and Revenue and Expenses for the Current Year:

		Amount
a.	Permanent ACA Risk Adjustment Program	
	Assets	
	1. Premium adjustments receivable due to ACA Risk Adjustment	$-
	Liabilities	
	2. Risk adjustment user fees payable for ACA Risk Adjustment	1
	3. Premium adjustments payable due to ACA Risk Adjustment	515
	Operations (Revenue & Expense)	
	4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	28,223
	5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	64
b.	Transitional ACA Reinsurance Program	
	Assets	
	1. Amounts recoverable for claims paid due to ACA Reinsurance	$4,136
	2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	-
	3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
	Liabilities	
	4. Liabilities for contributions payable due to ACA Reinsurance not reported as ceded premium	$12,307
	5. Ceded reinsurance premiums payable due to ACA Reinsurance	-
	6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	-
	Operations (Revenue & Expense)	
	7. Ceded reinsurance premiums due to ACA Reinsurance	$14
	8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	1,541
	9. ACA Reinsurance contributions - not reported as ceded premium	61,519
c.	Temporary ACA Risk Corridors Program	
	Assets	
	1. Accrued retrospective premium due to ACA Risk Corridors	-
	Liabilities	
	2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
	Operations (Revenue & Expense)	
	3. Effect of ACA Risk Corridors on net premium income (paid/received)	-
	4. Effect of ACA Risk Corridors on change in reserves for rate credits	-

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

	Accrued during the prior year on business written before December 31 of the prior year		Received or paid as of the current year on business written before December 31 of the prior year	
	1	2	3	4
	Receivable	(Payable)	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program				
1. Premium adjustments receivable	$-	-	$34,117	-
2. Premium adjustments (payable)	-	$2,751	-	$8,130
3 Subtotal ACA Permanent Risk Adjustment Program	$-	$2,751	$34,117	$8,130
b. Transitional ACA Reinsurance Program				
1. Amounts recoverable for claims paid	$34,337	-	$33,557	-
2. Amounts recoverable for claims unpaid (contra liability)	4,898	-	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-
4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium	-	33,085	-	33,085
5. Ceded reinsurance premiums payable	-	-	-	-
6. Liability for amounts held under uninsured plans	-	-	-	-
7. Subtotal ACA Transitional Reinsurance Program	$39,235	$33,085	$33,557	$33,085
c. Temporary ACA Risk Corridors Program				
1. Accrued retrospective premium	-	-	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	$12,851
d. Total for ACA Risk Sharing Provisions	$39,235	$35,836	$67,674	$41,215

	Differences		Adjustments		
	Prior year accrued less payments (Col 1 - 3)	Prior year accrued less payments (Col 2 - 4)	To prior year balances	To prior year balances	
	5	6	7	8	
	Receivable	(Payable)	Receivable	(Payable)	Ref
a. Permanent ACA Risk Adjustment Program					
1. Premium adjustments receivable	($34,117)	-	$34,117	-	A
2. Premium adjustments (payable)	-	($5,379)	-	$5,379	A
3 Subtotal ACA Permanent Risk Adjustment Program	($34,117)	($5,379)	$34,117	$5,379	
b. Transitional ACA Reinsurance Program					
1. Amounts recoverable for claims paid	$780	-	$3,357	-	B
2. Amounts recoverable for claims unpaid (contra liability)	4,898	-	(4,898)	-	N/A
3. Amounts receivable relating to uninsured plans	-	-	-	-	N/A
4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium	-	-	-	-	N/A
5. Ceded reinsurance premiums payable	-	-	-	-	N/A
6. Liability for amounts held under uninsured plans	-	-	-	-	N/A
7. Subtotal ACA Transitional Reinsurance Program	$5,678	-	($1,541)	-	
c. Temporary ACA Risk Corridors Program					
1. Accrued retrospective premium	-	-	-	-	C
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	N/A
3. Subtotal ACA Risk Corridors Program	-	-	-	-	
d. Total for ACA Risk Sharing Provisions	($28,439)	($5,379)	$32,576	$5,379	

	Unsettled balances as of the reporting date	
	Cumulative balance from prior years (col 1 - 3 + 7)	Cumulative balance from prior years (col 2 - 4 + 8)
	9	10
	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program		
1. Premium adjustments receivable	-	-
2. Premium adjustments (payable)	-	-
3 Subtotal ACA Permanent Risk Adjustment Program	-	-
b. Transitional ACA Reinsurance Program		
1. Amounts recoverable for claims paid	$4,137	-
2. Amounts recoverable for claims unpaid (contra liability)	-	-
3. Amounts receivable relating to uninsured plans	-	-
4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium	-	-
5. Ceded reinsurance premiums payable	-	-
6. Liability for amounts held under uninsured plans	-	-
7. Subtotal ACA Transitional Reinsurance Program	$4,137	-
c. Temporary ACA Risk Corridors Program		
1. Accrued retrospective premium	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-
3. Subtotal ACA Risk Corridors Program	-	-
d. Total for ACA Risk Sharing Provisions	$4,137	-

(4) Roll-forward of Risk Corridor asset and liability balances by program benefit year.

	Accrued during the prior year on business written before December 31 of the prior year		Received or paid as of the current year on business written before December 31 of the prior year	
	1	2	3	4
	Receivable	(Payable)	Receivable	(Payable)
a. 2014				
1. Accrued retrospective premium	-	-	-	-
2. Reserve for rate credits for policy experience rating refunds	-	-	-	-
b. 2015				
1. Accrued retrospective premium	-	-	-	-
2. Reserve for rate credits for policy experience rating refunds	-	-	-	-
c. 2016				
1. Accrued retrospective premium	-	-	-	-
2. Reserve for rate credits for policy experience rating refunds	-	-	-	-
d. Total for Risk Corridors	-	-	-	-

	Differences		Adjustments		
	Prior year accrued less payments (Col 1 - 3)	Prior year accrued less payments (Col 2 - 4)	To prior year balances	To prior year balances	
	5	6	7	8	
	Receivable	(Payable)	Receivable	(Payable)	Ref
a. 2014					
1. Accrued retrospective premium	$-	$-	$-	$-	C
2. Reserve for rate credits for policy experience rating refunds	-	-	-	-	N/A
b. 2015					
1. Accrued retrospective premium	-	-	-	-	C
2. Reserve for rate credits for policy experience rating refunds	-	-	-	-	N/A
c. 2016					
1. Accrued retrospective premium	-	-	-	-	N/A
2. Reserve for rate credits for policy experience rating refunds	-	-	-	-	N/A
d. Total for Risk Corridors	$-	$-	$-	$-	

	Unsettled balances as of the reporting date	
	Cumulative balance from prior years (col 1 - 3 + 7)	Cumulative balance from prior years (col 2 - 4 + 8)
	9	10
	Receivable	(Payable)
a. 2014		
1. Accrued retrospective premium	$-	-
2. Reserve for rate credits for policy experience rating refunds	-	-
b. 2015		
1. Accrued retrospective premium	-	-
2. Reserve for rate credits for policy experience rating refunds	-	-
c. 2016		
1. Accrued retrospective premium	-	-
2. Reserve for rate credits for policy experience rating refunds	-	-
d. Total for Risk Corridors	$-	-

Explanations of adjustments

A. Due to updates to the data available to the Company to calculate the risk adjustment.
B. Due to additional claims run-out after the December 31, 2015 period.

(5) ACA Risk Corridors Receivable as of reporting date.

	Risk Corridors program year	1 Estimated amount to be filed or final amount filed with CMS	2 Non-accrued amounts for impairment or other reasons	3 Amounts received from CMS
a.	2014	$-	$-	$-
b.	2015	-	-	-
c.	2016	-	-	-
d.	Total (a+b+c)	$-	$-	$-

	Risk Corridors program year	4 Asset balance (gross of non-admissions) (1-2-3)	5 Non-admitted amount	6 Net admitted asset (4-5)
a.	2014	$-	-	$-
b.	2015	-	-	-
c.	2016	-	-	-
d.	Total (a+b+c)	$-	-	$-

25. Change in incurred claims and claims adjustment expense

The following table shows the components of the change in claims unpaid, unpaid claims adjustment expense and aggregate health claim reserves for the years ended December 31, 2016 and 2015.

	2016	2015
Balance, January 1	$60,244,438	$65,398,685
Health care receivable	(233,999)	(374,520)
Balance, January 1, net of health care receivable	60,010,439	65,024,165
Incurred related to:		
Current year	469,117,643	468,708,109
Prior years	803,266	(13,316,179)
Total incurred	469,920,909	455,391,930
Paid related to:		
Current year	(407,655,474)	(415,594,908)
Prior years	(54,373,346)	(44,810,748)
Total paid	(462,028,820)	(460,405,656)
Balance, December 31, net of health care receivable	67,902,528	60,010,439
Health care receivable	2,728,241	233,999
Balance, December 31	$70,630,769	$60,244,438

In 2016, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years' increased by $803,266 from $59,241,940 in 2015 to $60,045,206 in 2016. In 2015, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years' decreased by $13,316,179 from $64,306,576 in 2014 to $50,990,397 in 2015. The lower than anticipated health care cost trend rates observed in 2016 and 2015 for claims incurred in 2015 and 2014, respectively, were due to moderating outpatient and physician trends and faster than expected claim payment speed. The Company considers historical trend rates together with knowledge of recent events that may impact current trends when developing estimates of current trend rates. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Historical health care cost trend rates are not necessarily representative of current trends.

Net coordination of benefits is implicit in the claims incurred but not reported calculation and could not be specifically identified.

26. Intercompany pooling arrangements

The Company did not have any intercompany pooling arrangements at December 31, 2016 or 2015.

27. Structured settlements

Not applicable to health entities.

28. Health care receivables

A. Pharmaceutical rebate receivables

The Company receives pharmaceutical rebates through an agreement with AHM. AHM has contractual agreements with pharmaceutical companies for rebates, which cover the Company's membership as well as the membership of other Aetna affiliates. The Company receives those rebates from AHM that relate to the Company's membership. The Company estimates pharmaceutical rebate receivables based upon the historical payment trends, actual utilization and other variables. Actual rebates collected are applied to the collection periods below, using a first in first out methodology. At December 31, 2016 and 2015, the Company had pharmaceutical rebate receivables of $2,348,435 and $2,033,891, respectively (refer to the Company's accounting practices related to pharmaceutical rebate receivables in Note 1).

The following table discloses the quarterly revenue and subsequent cash collections relating to the pharmaceutical rebates discussed in Note 10.

Quarter	Estimated pharmacy rebates as reported on financial statements	Pharmacy rebates as invoiced/ confirmed	Actual rebates collected within 90 days of invoicing/ confirmation	Actual rebates collected within 91 to 180 days of invoicing/ confirmation	Actual rebates collected more than 180 days after invoicing/ confirmation
12/31/2016	$7,048,124	-	$4,699,689 [1]	-	-
9/30/2016	7,275,464	7,270,266	7,270,266	-	-
6/30/2016	7,373,088	7,468,018	7,468,018	-	-
3/31/2016	5,502,752	5,708,169	5,708,169	-	-
12/31/2015	$6,710,680	-	$4,676,789	-	-
9/30/2015	6,840,284	6,840,284	6,840,284	-	-
6/30/2015	5,189,686	5,189,686	5,189,686	-	-
3/31/2015	5,979,786	5,979,786	5,979,786	-	-
12/31/2014	-	-	-	-	-
9/30/2014	-	-	-	-	-
6/30/2014	-	-	-	-	-
3/31/2014	-	-	-	-	-

[1] Represents a portion of the estimated rebates for the quarter ending December 31, 2016, which were paid by AHM to the Company prior to December 31, 2016 and invoicing in 2017.

B. Risk sharing receivables

The Company did not have any admitted risk sharing receivables at December 31, 2016 or 2015.

29. Participating policies

The Company did not have any participating policies at December 31, 2016 or 2015.

30. Premium deficiency reserves

		December 31, 2016
1.	Liability carried for premium deficiency reserves	$0
2.	Date of the most recent evaluation of this liability	12/31/2016
3.	Was anticipated investment income utilized in the calculation?	Yes

31. Anticipated salvage and subrogation

See discussion of hospital and medical costs and claims adjustment expenses and related reserves in Note 1.

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 and 2

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? Missouri

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. 12/31/2015

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. 12/31/2010

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). 05/31/2012

3.4 By what department or departments?
Missouri Department of Insurance

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]

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]

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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main Street, Hartford, CT 06115

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?
William Jones, FSA, MAAA
151 Farmington Avenue, RE2R,
Hartford, CT 06156

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 [X] No [ ]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).
See Attachment

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 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 $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal Only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal Only) $

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? 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 [ ] No [X]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

INVESTMENT

24.01 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 24.03) Yes [X] No [ ]

24.02 If no, give full and complete information relating thereto
N/A

24.03 For security 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)

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $ 0

24.07 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]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09 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]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0
24.103 Total payable for securities lending reported on the liability page. $ 0

25.1 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 24.03). Yes [X] No [ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Placed under option agreements $
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $
25.27 FHLB Capital Stock $
25.28 On deposit with states $ 1,609,214
25.29 On deposit with other regulatory bodies $
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $
25.32 Other $

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 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.

27.1 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]

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

28. 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 [ ]

28.01 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
State Street Bank and Trust Company	State Street Financial Center, One Lincoln Street, Boston, MA 02111-2915

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]
28.04 If yes, give full and complete information relating thereto:

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

GENERAL INTERROGATORIES

28.05 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. 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
Kevin J. Casey as Senior Investment Officer	A

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ ] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [X]

28.06 For those firms or individuals listed in the table for 28.05 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 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
N/A	Kevin J. Casey	N/A	Not registered	NO

29.1 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]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

29.3 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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	254,097,130	257,640,697	3,543,567
30.2 Preferred stocks	0		0
30.3 Totals	254,097,130	257,640,697	3,543,567

30.4 Describe the sources or methods utilized in determining the fair values:
See Attachment

31.1 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 [ ]

31.2 If the answer to 31.1 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 [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 44,051

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

1 Name	2 Amount Paid
COUNCIL FOR AFFORDABLE QUALITY HEALTHCARE	22,184

34.1 Amount of payments for legal expenses, if any? $ 900,546

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

1 Name	2 Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 0

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

1 Name	2 Amount Paid

December 31, 2016
General Interrogatories Responses

Question 14.21:

The key substantive changes include:

- Updated message from the Chairman
- Updated and expanded examples of conflicts of interest by increasing the threshold of stock ownership and adding running for, or holding, a public office
- Increased the business gift limit from $25.00 to $50.00
- Updated gift, reward, incentive and promotional program restrictions for members of government plans
- Added a section on employees' responsibility for their licensure and certification renewals
- Clarified the definition of 'social media' and expanded the rules for its use
- Updated guidance on protecting Aetna's intellectual property
- Expanded guidance regarding personal political contributions
- Clarified reporting requirements for government contract lobbying or procurement activities
- Introduced the requirement to report a felony conviction or plea to Investigative Services
- Added a section that specifically addresses Fraud, Waste and Abuse
- Added a section on proper supplier engagement process

There are also numerous non-substantive clarifying and conforming changes and updates to the factual information contained in the Code of Conduct, such as the level of giving by the Aetna Foundation since 1980, the inclusion of 'bullying' as a form of harassment, and the addition of anti-human trafficking, bribery and kickback laws relating to our government business.

Question 30.4:

Fair value of long term bonds and preferred stocks are determined based on quoted market prices when available, fair values using valuation methodologies based on available and observable market information or by using matrix pricing. If quoted market prices are not available, we determine fair value using broker quoted or an internal analysis of each investment's financial performance and cash flow projections. Short Term investments are carried at amortized cost which approximates fair value. The carrying value of cash equivalents which approximates fair value.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

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

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

1.31 Reason for excluding

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

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

1.6 Individual policies:

Most current three years:
- 1.61 Total premium earned $ 0
- 1.62 Total incurred claims $ 0
- 1.63 Number of covered lives 0

All years prior to most current three years:
- 1.64 Total premium earned $ 0
- 1.65 Total incurred claims $ 0
- 1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:
- 1.71 Total premium earned $ 0
- 1.72 Total incurred claims $ 0
- 1.73 Number of covered lives 0

All years prior to most current three years:
- 1.74 Total premium earned $ 0
- 1.75 Total incurred claims $ 0
- 1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	598,701,257	563,777,777
2.2	Premium Denominator	598,701,257	563,777,777
2.3	Premium Ratio (2.1/2.2)	1.000	1.000
2.4	Reserve Numerator	84,827,925	59,763,574
2.5	Reserve Denominator	84,827,925	59,763,574
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 [ ]

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

5.2 If no, explain:

The Company is of sufficient size to absord any large losses and does not require reinsurance to protect against the occasional large claim.

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:

The carrier has a hold harmless agreement with its contracted providers and members have conversion priviliages with its parent company.

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 15,151
- 8.2 Number of providers at end of reporting year 14,658

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	$	8,590,234
10.22 Amount actually paid for year bonuses	$	3,640,562
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 [X] No [ ]

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. Missouri

11.4 If yes, show the amount required. $ 18,128,152

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

11.6 If the amount is calculated, show the calculation

2% of earned premiums

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

1 Name of Service Area
See Attachment B

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 [X] N/A [ ]

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

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

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

15.1 Direct Premium Written $

15.2 Total Incurred Claims $

15.3 Number of Covered Lives

*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)

Attachment B
General Interrogatories Part 2 #12 - Service Areas

COVENTRY HEALTH CARE OF MISSOURI, INC.

Service Areas

Bond, IL
Calhoun, IL
Cass, IL
Christian, IL
Clinton, IL
Coles, IL
Franklin, IL
Greene, IL
Jackson, IL
Jefferson, IL
Jersey, IL
Johnson, IL
Macon, IL
Macoupin, IL
Madison, IL
Marion, IL
Menard, IL
Monroe, IL
Montgomery, IL
Morgan, IL
Moultrie, IL
Perry, IL
Pike, IL
Randolph, IL Saline, IL
Sangamon, IL
Schuyler, IL
Scott, IL
Shelby, IL
St. Clair, IL
Union, IL
Washington, IL
Williamson, IL
Adair, MO
Audrain, MO
Barry, MO
Benton, MO
Boone, MO
Callaway, MO
Camden, MO
Cape Girardeau, MO
Cedar, MO
Chariton, MO
Christian, MO
Cole, MO
Cooper, MO
Crawford, MO
Dade, MO
Dallas, MO
Douglas, MO
Franklin, MO
Gasconade, MO
Greene, MO
Hickory, MO
Howard, MO
Iron, MO
Jefferson, MO
Knox, MO
Laclede, MO
Lawrence, MO
Lewis, MO
Lincoln, MO
Linn, MO
Macon, MO

Madison, MO
Maries, MO
Marion, MO
Miller, MO
Moniteau, MO
Monroe, MO
Montgomery, MO
Morgan, MO
Osage, MO
Perry, MO
Pettis, MO
Phelps, MO
Pike, MO
Polk, MO
Pulaski, MO
Ralls, MO
Randolph, MO
Reynolds, MO
Saline, MO Scott, MO
Shelby, MO
St. Charles, MO
St. Francois, MO
St. Louis, MO
St. Louis City, MO
Ste. Genevieve, MO
Stone, MO
Taney, MO
Warren, MO
Washington, MO
Webster, MO
Wright, MO

FIVE-YEAR HISTORICAL DATA

		1 2016	2 2015	3 2014	4 2013	5 2012
	Balance Sheet (Pages 2 and 3)					
1.	Total admitted assets (Page 2, Line 28)	323,043,486	236,330,301	229,426,336	201,403,606	207,677,841
2.	Total liabilities (Page 3, Line 24)	168,642,506	119,434,766	141,270,276	121,754,015	110,127,491
3.	Statutory minimum capital and surplus requirement	18,128,152	11,275,556	10,252,822	9,135,461	9,178,443
4.	Total capital and surplus (Page 3, Line 33)	154,400,980	116,895,535	88,156,059	79,649,591	97,550,350
	Income Statement (Page 4)					
5.	Total revenues (Line 8)	588,347,149	563,492,893	512,641,081	456,773,045	458,919,054
6.	Total medical and hospital expenses (Line 18)	469,791,614	455,341,018	459,502,375	375,304,747	368,733,594
7.	Claims adjustment expenses (Line 20)	12,934,713	13,560,391	11,271,007	32,594,843	28,233,513
8.	Total administrative expenses (Line 21)	57,673,225	53,877,720	37,522,240	27,589,890	25,461,575
9.	Net underwriting gain (loss) (Line 24)	47,947,597	40,713,764	4,345,459	21,283,565	36,490,372
10.	Net investment gain (loss) (Line 27)	6,533,670	5,045,154	5,062,395	4,598,767	7,166,533
11.	Total other income (Lines 28 plus 29)	0	(26,550)	0	(77,457)	(118,781)
12.	Net income or (loss) (Line 32)	37,097,633	32,389,623	9,316,359	18,063,521	34,592,936
	Cash Flow (Page 6)					
13.	Net cash from operations (Line 11)	60,886,648	19,528,184	10,188,028	26,102,833	7,771,130
	Risk-Based Capital Analysis					
14.	Total adjusted capital	154,400,980	116,895,535	88,156,059	79,649,591	97,550,350
15.	Authorized control level risk-based capital	16,008,212	15,610,212	15,736,915	12,587,449	12,437,094
	Enrollment (Exhibit 1)					
16.	Total members at end of period (Column 5, Line 7)	91,863	78,058	73,869	63,412	62,163
17.	Total members months (Column 6, Line 7)	1,018,899	939,245	894,815	749,259	742,539
	Operating Percentage (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)	79.8	80.8	89.6	82.2	80.3
20.	Cost containment expenses	1.8	1.7	1.6	2.7	2.3
21.	Other claims adjustment expenses	0.4	0.7	0.6	4.4	3.8
22.	Total underwriting deductions (Line 23)	91.9	92.8	99.2	95.3	92.0
23.	Total underwriting gain (loss) (Line 24)	8.1	7.2	0.8	4.7	8.0
	Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24.	Total claims incurred for prior years (Line 13, Col. 5)	60,045,206	50,990,397	44,976,589	42,973,436	44,535,062
25.	Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	59,241,940	64,306,576	53,202,082	47,484,580	47,998,860
	Investments In Parent, Subsidiaries and Affiliates					
26.	Affiliated bonds (Sch. D Summary, Line 12, Col. 1)		0	0	0	0
27.	Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)		0	0	0	0
28.	Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)		0	0	0	0
29.	Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30.	Affiliated mortgage loans on real estate					
31.	All other affiliated					
32.	Total of above Lines 26 to 31	0	0	0	0	0
33.	Total investment in parent included in Lines 26 to 31 above.					

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

If no, please explain:

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only							
	States, etc.	Active Status	2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1.	Alabama AL	N							0	
2.	Alaska AK	N							0	
3.	Arizona AZ	N							0	
4.	Arkansas AR	L		7,854,442					7,854,442	
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	L	1,749,755	144,545,293					146,295,048	
15.	Indiana IN	N							0	
16.	Iowa IA	N							0	
17.	Kansas KS	L		36,826,315					36,826,315	
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	L	11,365,048	701,960,073					713,325,121	
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	L		2,106,682					2,106,682	
38.	Oregon OR	N							0	
39.	Pennsylvania PA	N							0	
40.	Rhode Island RI	N							0	
41.	South Carolina SC	N							0	
42.	South Dakota SD	N							0	
43.	Tennessee TN	N							0	
44.	Texas TX	N							0	
45.	Utah UT	N							0	
46.	Vermont VT	N							0	
47.	Virginia VA	N							0	
48.	Washington WA	N							0	
49.	West Virginia WV	N							0	
50.	Wisconsin WI	N							0	
51.	Wyoming WY	N							0	
52.	American Samoa AS	N							0	
53.	Guam GU	N							0	
54.	Puerto Rico PR	N							0	
55.	U.S. Virgin Islands VI	N							0	
56.	Northern Mariana Islands MP	N							0	
57.	Canada CAN	N							0	
58.	Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59.	Subtotal	XXX	13,114,803	893,292,805	0	0	0	0	906,407,608	0
60.	Reporting entity contributions for Employee Benefit Plans	XXX							0	
61.	Total (Direct Business)	(a) 5	13,114,803	893,292,805	0	0	0	0	906,407,608	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
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

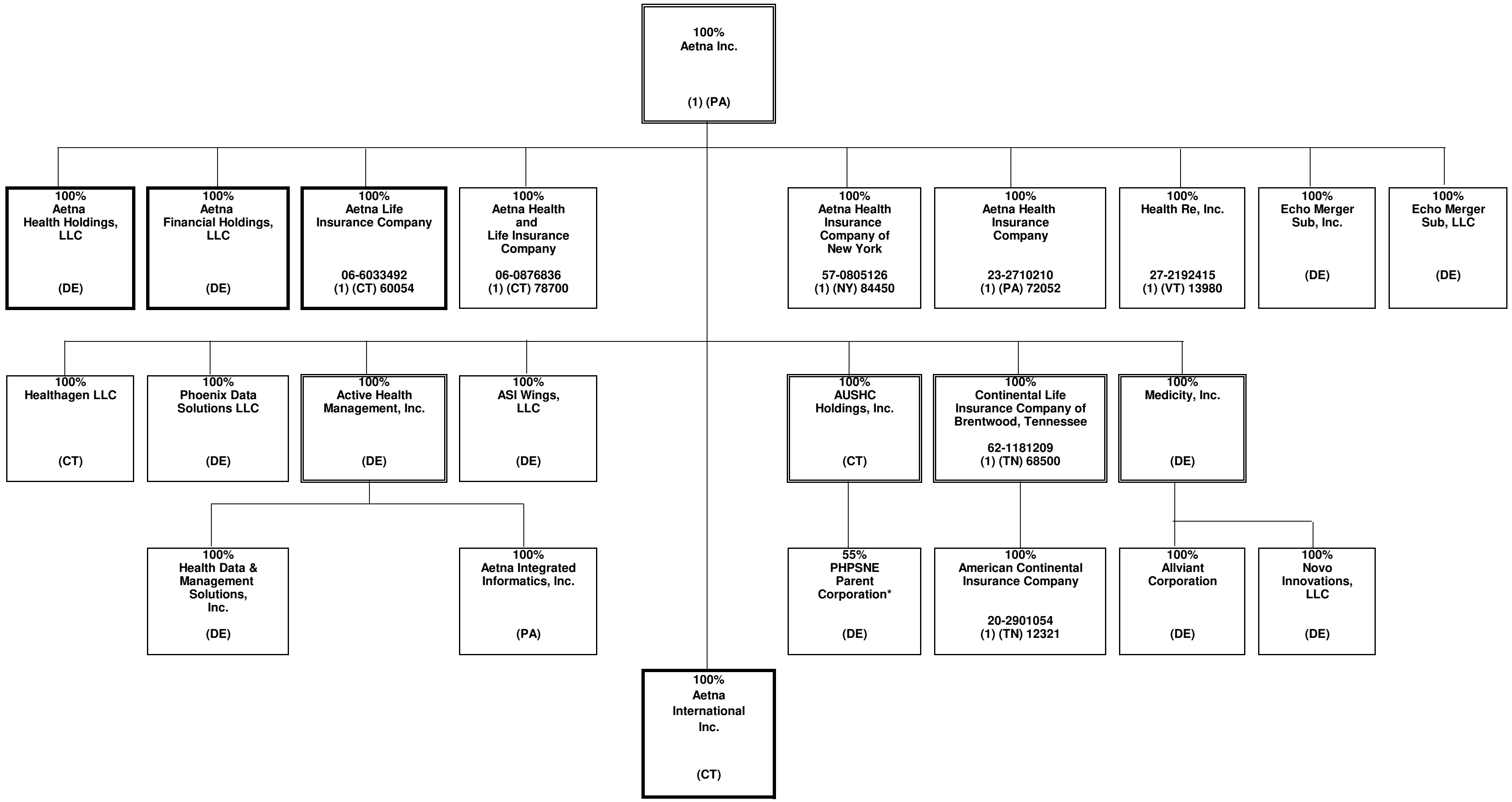
Explanation of basis of allocation by states, premiums by state, etc.

Allocation by state is based on the employer group's state of domicile.

(a) Insert the number of L responses except for Canada and Other Alien.

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

PART 1 - ORGANIZATIONAL CHART

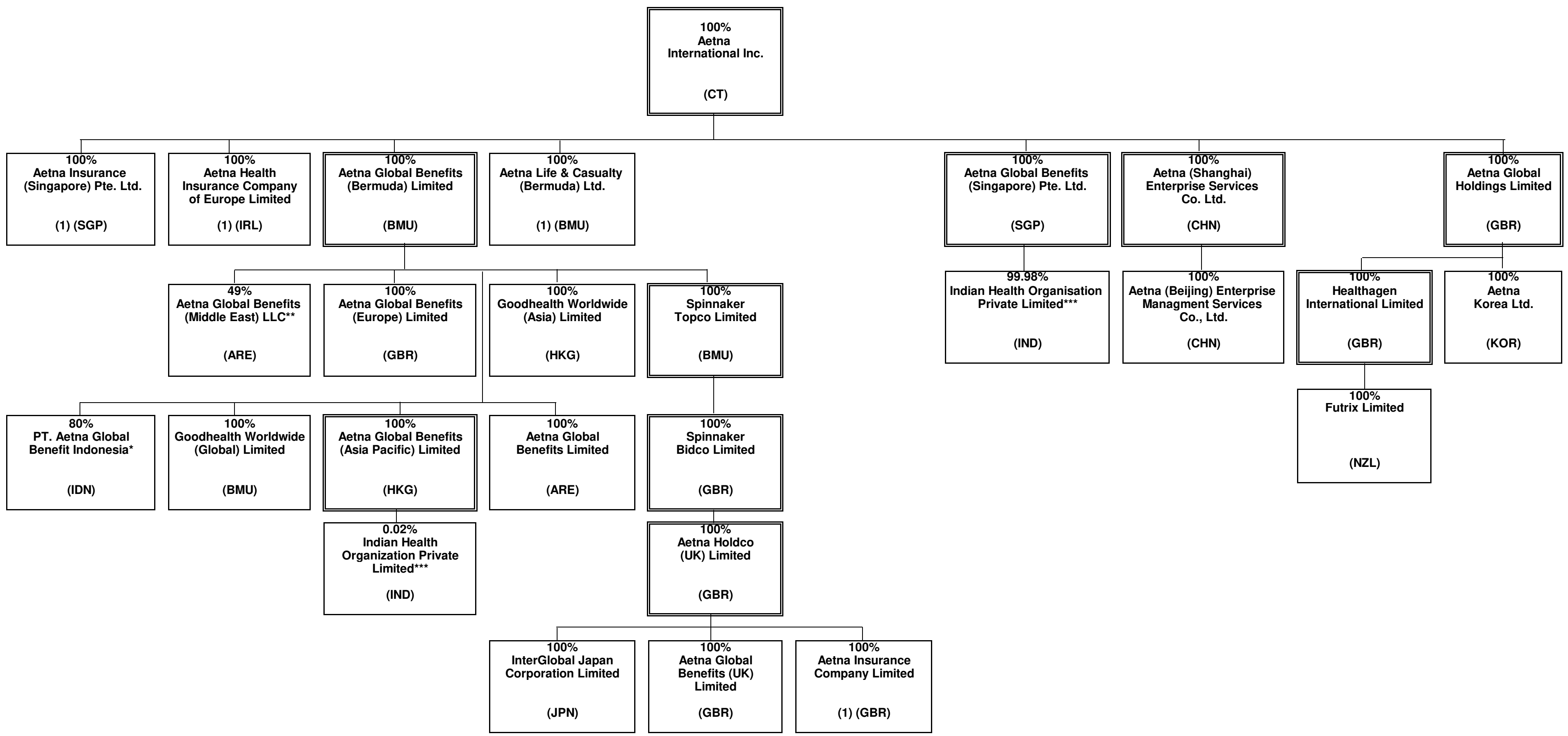


(1) Insurers/HMO's
Percentages are rounded to the nearest whole percent and based on ownership of voting rights.
Double borders indicate entity has subsidiaries shown on the same page.
Bold borders indicate entity has subsidiaries shown on a separate page.

*55% is owned by AUSHC Holdings, Inc. and 45% is owned by third parties.

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

PART 1 - ORGANIZATIONAL CHART



*Aetna Global Benefits (Bermuda) Limited owns 80% and 20% is owned by Suhatsyah Rivai, Aetna's Nominee.
** Aetna Global Benefits (Bermuda) Limited owns 49% and 51% is owned by Euro Gulf LLC, Aetna's Nominee.
*** Aetna Global Benefits (Asia Pacific) Limited owns 0.019857% of Indian Health Organization Private Limited and Aetna Global Benefits (Singapore) Pte. Ltd. owns 99.980143%.

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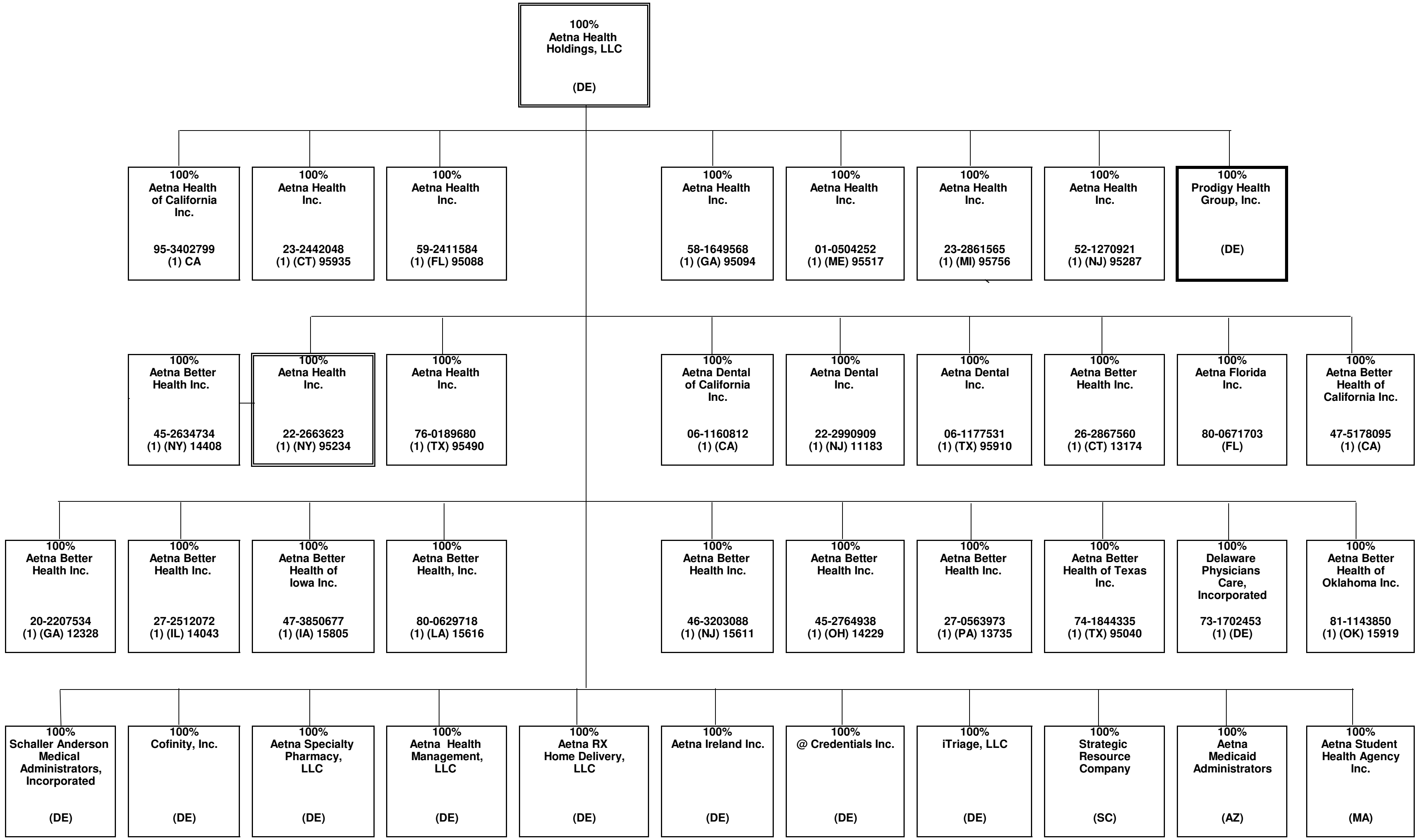

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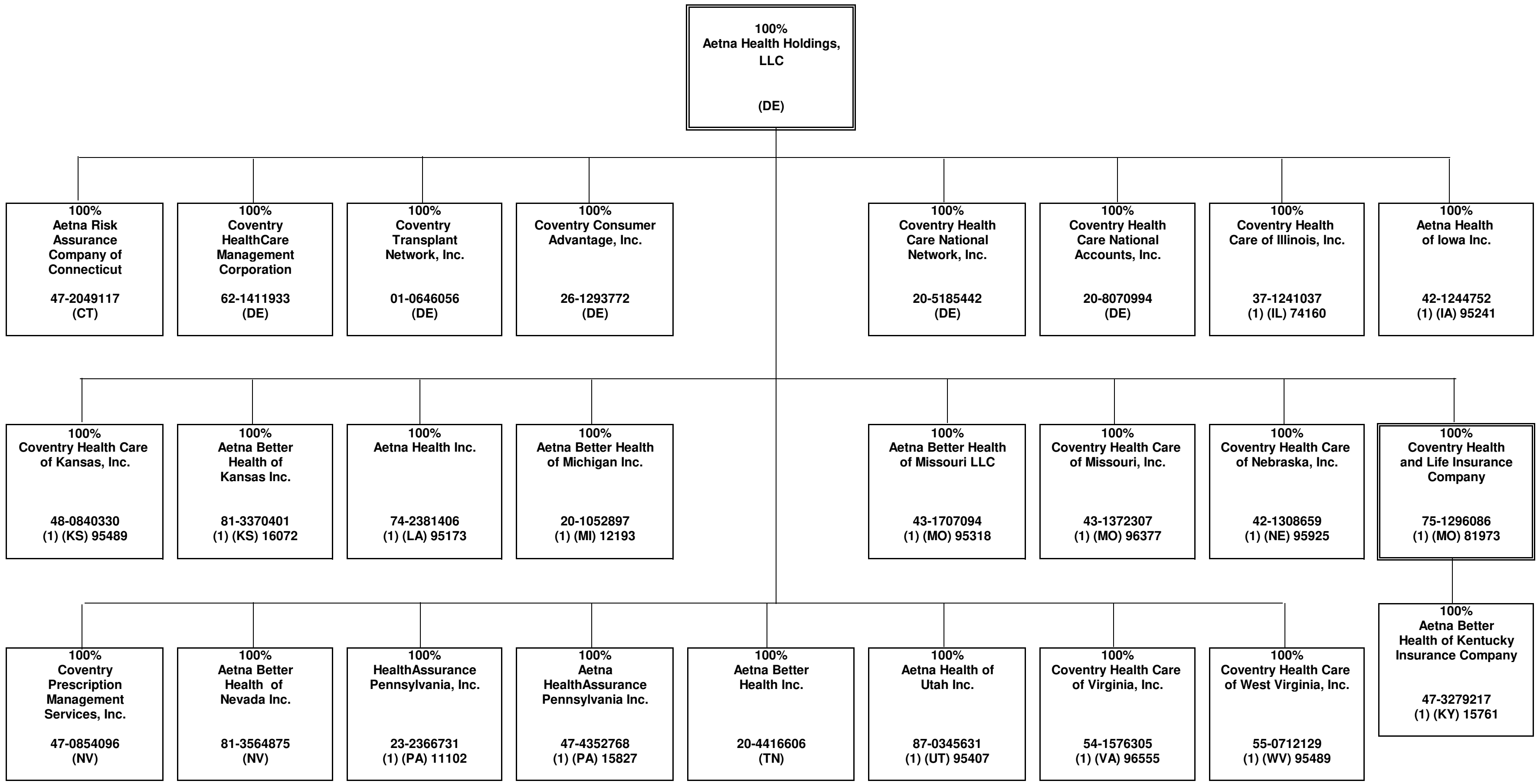
PART 1 - ORGANIZATIONAL CHART



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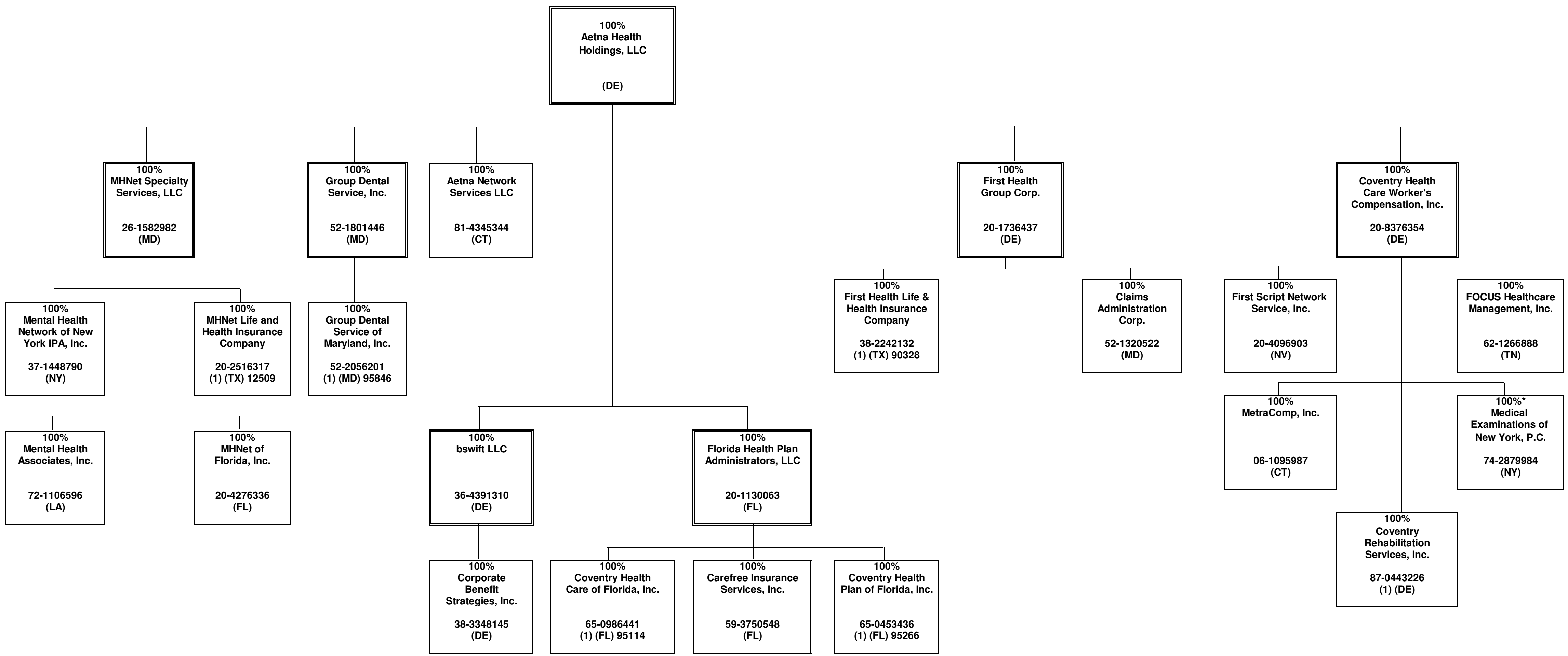
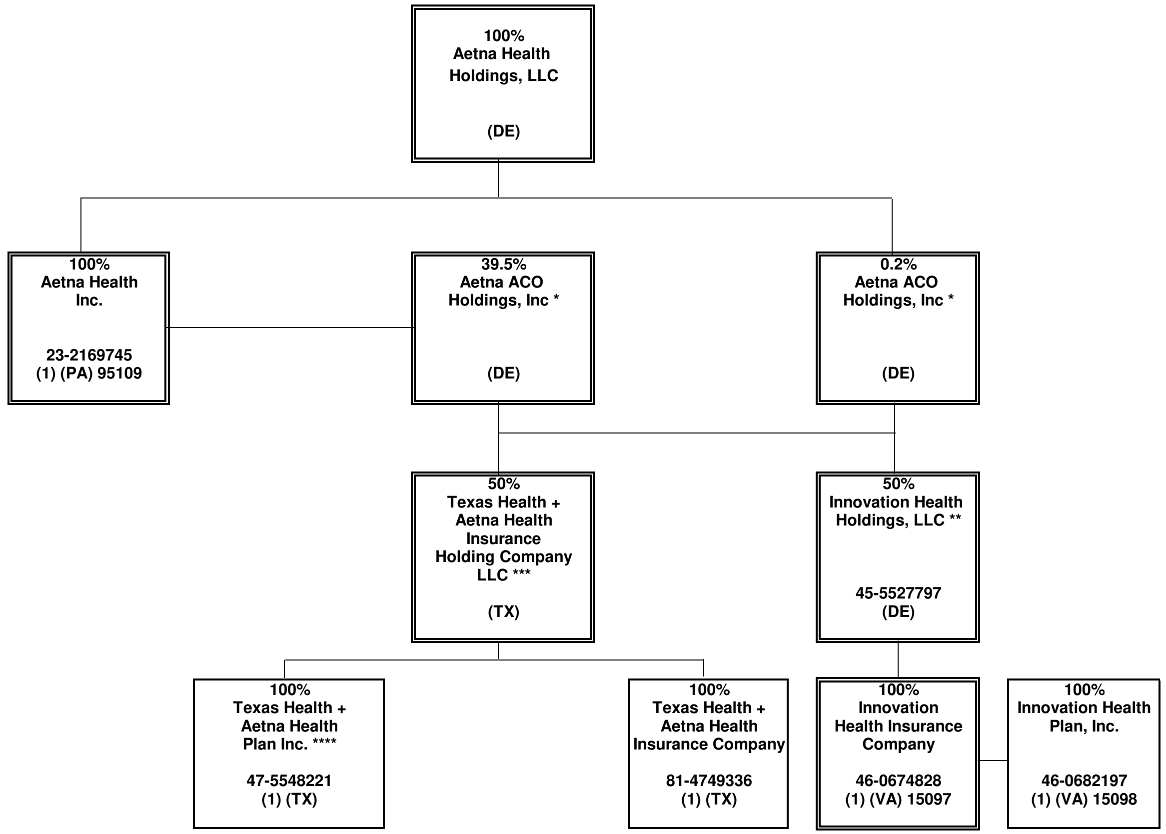
PART 1 - ORGANIZATIONAL CHART



*100% owned through Aetna's nominees

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

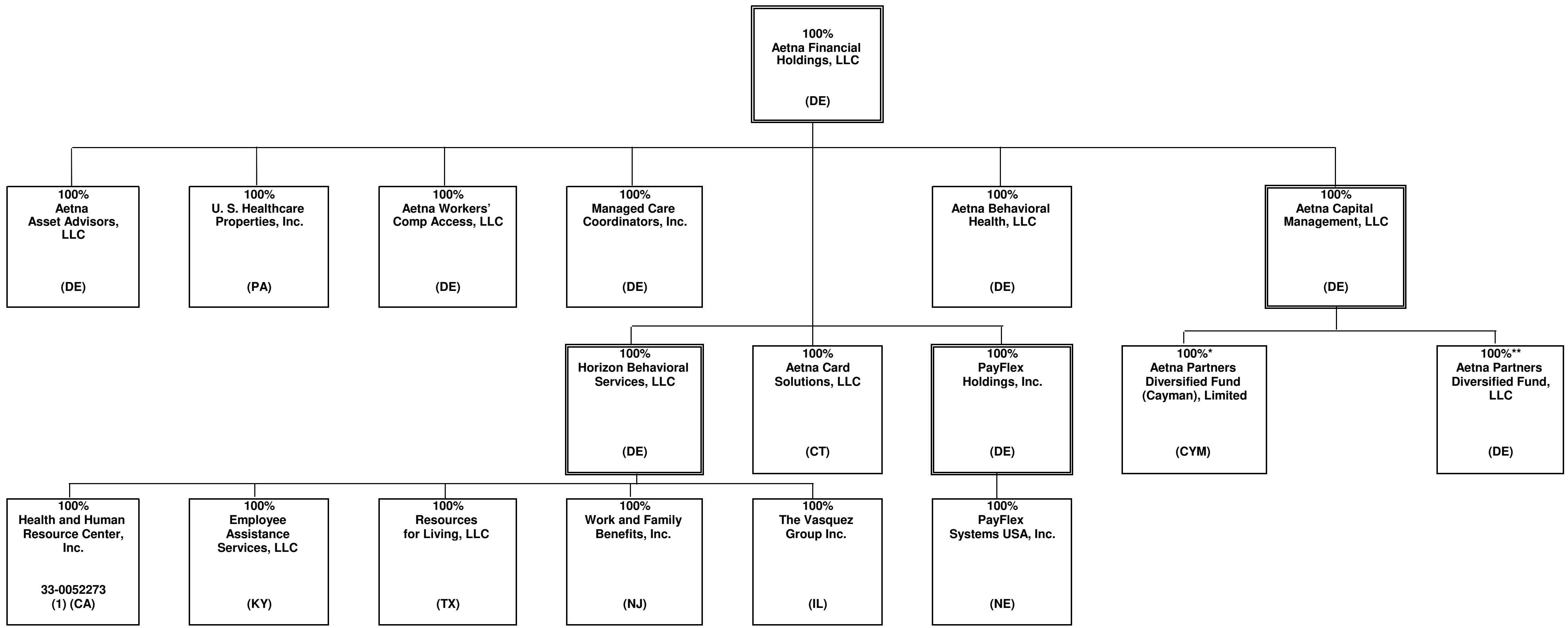
PART 1 - ORGANIZATIONAL CHART



* Aetna ACO Holdings Inc. is owned by Aetna Life Insurance Company (302 shares); Aetna Health Inc. (PA) (198 shares); and Aetna Health Holdings, LLC (1 share).
** Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.
***Texas Health + Aetna Health Insurance Holding Company LLC is 50% owned by Aetna ACO Holdings Inc. and 50% owned by Texas Health Resources, an unaffiliated company.
****Texas Health + Aetna Health Plan Inc. will become a direct subsidiary of Texas Health + Aetna Health Insurance Company in February 2017.

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

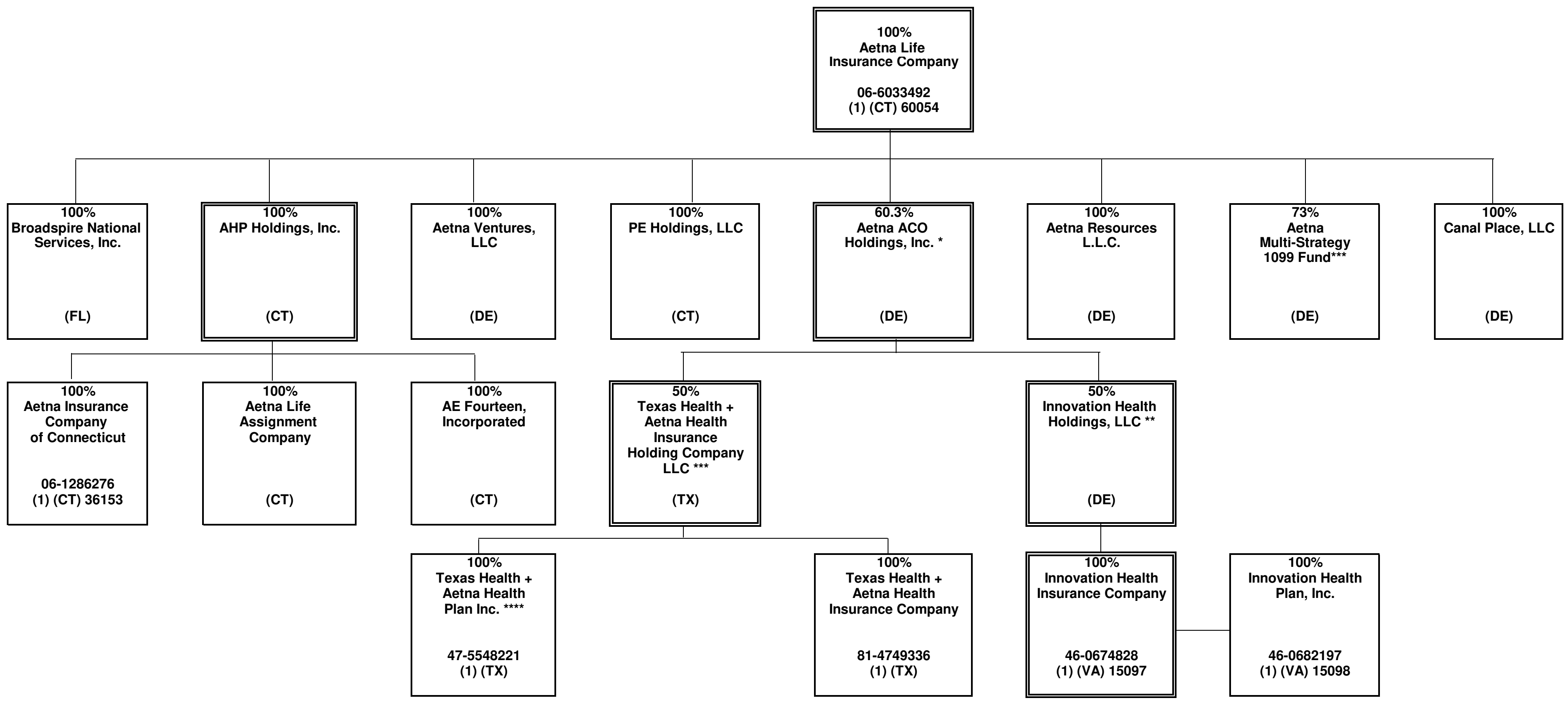
PART 1 - ORGANIZATIONAL CHART



* Aetna Life Insurance Company owns the Class C participating shares of Aetna Partners Diversified Fund (Cayman), Limited.
** Aetna Life Insurance Company and Aetna Health and Life Insurance Company own substantially all of the non-managing member interests of Aetna Partners Diversified Fund, LLC.

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

PART 1 - ORGANIZATIONAL CHART



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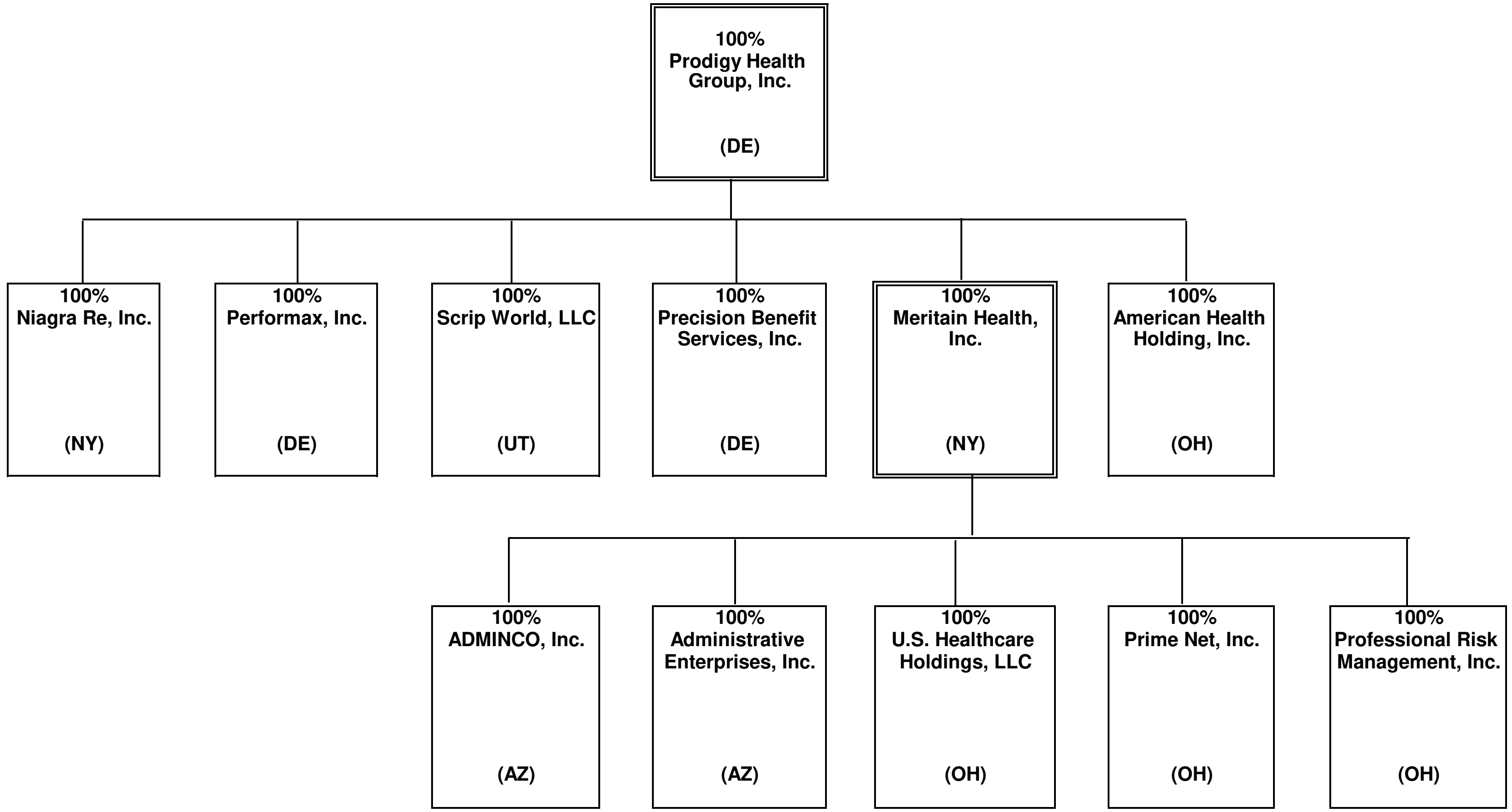
PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504.			0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0

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

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504. BH Capitation	0		1,414,458		1,414,458
2597. Summary of remaining write-ins for Line 25 from overflow page	0	0	1,414,458	0	1,414,458

ALPHABETICAL INDEX

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ANNUAL STATEMENT BLANK (Continued)