83470201620100101

HEALTH QUARTERLY STATEMENT

As of March 31, 2016

of the Condition and Affairs of the

USAble Mutual Insurance Company

NAIC Group Code.....876, 876 (Current Period) (Prior Period) NAIC Company Code..... 83470 Employer's ID Number..... 71-0226428

Organized under the Laws of Arkansas State of Domicile or Port of Entry Arkansas Country of Domicile US

Licensed as Business Type Life, Accident & Health Is HMO Federally Qualified? Yes [ ] No [ ]

Incorporated/Organized..... December 10, 1948 Commenced Business..... March 2, 1949

Statutory Home Office	601 S. Gaines….. Little Rock ..... AR ..... US ..... 72201 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	601 S. Gaines….. Little Rock ..... AR ..... US ..... 72201 *(Street and Number) (City or Town, State, Country and Zip Code)*	501-378-2000 *(Area Code) (Telephone Number)*
Mail Address	601 S. Gaines….. Little Rock ..... AR ..... US ..... 72201 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	601 S. Gaines….. Little Rock ..... AR ..... US ..... 72201 *(Street and Number) (City or Town, State, Country and Zip Code)*	501-378-2000 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.arkansasbluecross.com	
Statutory Statement Contact	Scott Bradley Winter *(Name)*	501-399-3951 *(Area Code) (Telephone Number) (Extension)*
	sbwinter@arkbluecross.com *(E-Mail Address)*	501-378-3258 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Paul Mark White	President / CEO	2. James Lee Douglass	Secretary
3. Gray Donald Dillard	Treasurer / CFO	4. Calvin Eugene Kellogg	EVP / Chief Strategy Officer

OTHER

Stephen William Abell
Curtis Edwin Barnett
Judy Dawn Blevins
David Frank Bridges
Richard Shelby Cooper
David Franklin Greenwood, Jr.
Melvin Dewayne Hardy
Harvey David Jacobson #
Hal Jackson Norman #
Kathleen O'Dea Ryan
Steven Aaron Spaulding
James Robert Bailey
Alicia Marie Berkemeyer
James Daniel Bloodworth
Martha Lynn Carlson
Ronald Walter DeBerry
Robert Franklin Griffin, MD
Kimberly Ann Henderson
Anthony Marcus James #
Eric Richard Paczewitz
Philip Eugene Sherrill
Samuel Carl Vorderstrasse

DIRECTORS OR TRUSTEES

Carolyn Frazier Blakely PhD
James Virgil Kelley
Robert Daniel Nabholz
Patty Fulbright Smith
Susan Glover Brittain
Mahlon Ogden Maris MD
Marla Kay Johnson
Sherman Ellis Tate
Robert Vincent Brothers
James Thomas May
Ben Edwin Owens
Paul Mark White
Mark William Greenway
George Key Mitchell MD
Robert Lee Shoptaw

State of..... Arkansas
County of..... Pulaski

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

(Signature)	(Signature)	(Signature)
Paul Mark White	James Lee Douglass	Gray Donald Dillard
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President / CEO	Secretary	Treasurer / CFO
(Title)	(Title)	(Title)

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 Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
1. Bonds	542,101,148		542,101,148	512,765,040
2. Stocks:				
2.1 Preferred stocks			0	
2.2 Common stocks	258,379,320		258,379,320	252,034,167
3. Mortgage loans on real estate:				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate:				
4.1 Properties occupied by the company (less $.....0 encumbrances)	39,411,689		39,411,689	40,491,551
4.2 Properties held for the production of income (less $.....0 encumbrances)	7,391,480		7,391,480	7,301,122
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....52,665,257), cash equivalents ($.....19,999,219) and short-term investments ($.....200,286,175)	272,950,651		272,950,651	350,878,468
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives			0	
8. Other invested assets	80,810,686		80,810,686	79,826,804
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets			0	
11. Aggregate write-ins for invested assets	2,393,401	0	2,393,401	2,374,413
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,203,438,375	0	1,203,438,375	1,245,671,565
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	4,483,014		4,483,014	3,563,310
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums ($.....146,640,418) and contracts subject to redetermination ($.....0)	146,640,418	1,612,278	145,028,140	125,361,789
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	39,804,614		39,804,614	53,333,448
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans	41,826,155		41,826,155	40,545,335
18.1 Current federal and foreign income tax recoverable and interest thereon	88		88	354,889
18.2 Net deferred tax asset	81,514,021	71,012,685	10,501,336	14,720,311
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software	12,473,003	6,008,435	6,464,569	7,142,004
21. Furniture and equipment, including health care delivery assets ($.....0)	26,146,161	26,146,161	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	21,929,700	109,251	21,820,449	7,312,554
24. Health care ($.....32,077,614) and other amounts receivable	54,174,892	9,957,732	44,217,160	43,895,388
25. Aggregate write-ins for other than invested assets	50,630,677	16,835,008	33,795,670	38,024,100
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	1,683,061,119	131,681,549	1,551,379,569	1,579,924,693
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	1,683,061,119	131,681,549	1,551,379,569	1,579,924,693

DETAILS OF WRITE-INS

1101. Deposits with National Accounts	2,393,401		2,393,401	2,374,413
1102.			0	
1103.			0	
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)	2,393,401	0	2,393,401	2,374,413
2501. Supplemental Savings Plan	33,416,044		33,416,044	37,608,953
2502. Other Assets	17,214,633	16,835,008	379,625	415,147
2503.			0	
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)	50,630,677	16,835,008	33,795,670	38,024,100

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less $.....10,656,225 reinsurance ceded)	212,489,841	386,724	212,876,565	214,745,634
2.	Accrued medical incentive pool and bonus amounts	1,161,187		1,161,187	1,161,187
3.	Unpaid claims adjustment expenses	7,261,676		7,261,676	6,834,445
4.	Aggregate health policy reserves, including the liability of $.....4,984,184 for medical loss ratio rebate per the Public Health Service Act	136,953,492		136,953,492	137,434,072
5.	Aggregate life policy reserves			0	
6.	Property/casualty unearned premium reserve			0	
7.	Aggregate health claim reserves			0	
8.	Premiums received in advance	56,778,770		56,778,770	32,592,557
9.	General expenses due or accrued	254,208,820		254,208,820	247,486,938
10.1	Current federal and foreign income tax payable and interest thereon (including $.....0 on realized gains (losses))	884,786		884,786	2,478,373
10.2	Net deferred tax liability			0	
11.	Ceded reinsurance premiums payable	3,859,728		3,859,728	3,782,763
12.	Amounts withheld or retained for the account of others	36,680,811		36,680,811	39,092,727
13.	Remittances and items not allocated	2,288,193		2,288,193	110,832
14.	Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15.	Amounts due to parent, subsidiaries and affiliates	406,007		406,007	633,996
16.	Derivatives			0	
17.	Payable for securities			0	19,999,242
18.	Payable for securities lending			0	
19.	Funds held under reinsurance treaties with ($.....0 authorized reinsurers, $.....0 unauthorized reinsurers and certified $.....0 reinsurers)			0	
20.	Reinsurance in unauthorized and certified ($.....0) companies			0	
21.	Net adjustments in assets and liabilities due to foreign exchange rates			0	
22.	Liability for amounts held under uninsured plans	37,333,307		37,333,307	35,403,690
23.	Aggregate write-ins for other liabilities (including $.....0 current)	20,926,516	0	20,926,516	20,366,138
24.	Total liabilities (Lines 1 to 23)	771,233,134	386,724	771,619,858	762,122,594
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	35,300,000
26.	Common capital stock	XXX	XXX		
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX		
29.	Surplus notes	XXX	XXX		
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31.	Unassigned funds (surplus)	XXX	XXX	779,759,710	782,502,098
32.	Less treasury stock, at cost:				
	32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
	32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	779,759,710	817,802,098
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,551,379,568	1,579,924,692

DETAILS OF WRITE-INS

2301.	Deferred Gain on Capitalization of joint venture	19,617,685		19,617,685	19,617,685
2302.	Miscellaneous	1,308,831		1,308,831	748,453
2303.				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)	20,926,516	0	20,926,516	20,366,138
2501.	2016 ACA Insurer Fee Estimate	XXX	XXX		35,300,000
2502.					
2503.					
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	35,300,000
3001.					
3002.					
3003.					
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	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months	XXX	1,987,389	1,958,593	7,868,281
2. Net premium income (including $.....0 non-health premium income)	XXX	601,410,184	557,773,066	2,243,936,280
3. Change in unearned premium reserves and reserve for rate credits	XXX	843,197	(3,059,439)	(4,285,270)
4. Fee-for-service (net of $.....0 medical expenses)	XXX			
5. Risk revenue	XXX			
6. Aggregate write-ins for other health care related revenues	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	602,253,381	554,713,627	2,239,651,009
Hospital and Medical:				
9. Hospital/medical benefits		345,168,144	305,640,606	1,266,090,147
10. Other professional services		8,383,067	8,191,534	34,403,036
11. Outside referrals				
12. Emergency room and out-of-area		74,096,892	41,186,313	187,592,610
13. Prescription drugs		92,695,836	93,724,684	443,236,374
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		2,124,473	378,930	5,439,924
16. Subtotal (Lines 9 to 15)	0	522,468,411	449,122,067	1,936,762,091
Less:				
17. Net reinsurance recoveries		(3,327,886)	(1,823,203)	27,067,701
18. Total hospital and medical (Lines 16 minus 17)	0	525,796,297	450,945,270	1,909,694,390
19. Non-health claims (net)				
20. Claims adjustment expenses, including $.....338,055 cost containment expenses		22,154,083	19,324,533	87,397,134
21. General administrative expenses		87,363,940	76,205,699	226,645,938
22. Increase in reserves for life and accident and health contracts (including $.....0 increase in reserves for life only)		(1,325,894)	(709,542)	(4,708,880)
23. Total underwriting deductions (Lines 18 through 22)	0	633,988,426	545,765,960	2,219,028,582
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(31,735,045)	8,947,667	20,622,427
25. Net investment income earned		3,155,904	2,763,006	11,403,372
26. Net realized capital gains (losses) less capital gains tax of $.....0		3,343,025	790,721	(2,891,365)
27. Net investment gains or (losses) (Lines 25 plus 26)	0	6,498,929	3,553,727	8,512,007
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]				
29. Aggregate write-ins for other income or expenses	0	(2,393,904)	(95,960)	54,711
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	(27,630,020)	12,405,434	29,189,145
31. Federal and foreign income taxes incurred	XXX	2,447,206	8,874,813	24,923,813
32. Net income (loss) (Lines 30 minus 31)	XXX	(30,077,226)	3,530,621	4,265,332

DETAILS OF WRITE-INS

0601.	XXX			
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0	0
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0	0
2901. Miscellaneous Income/Expense		(2,393,104)	(95,160)	(284,413)
2902. Regional Management Fees				339,924
2903. State Tax Expense		(800)	(800)	(800)
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	(2,393,904)	(95,960)	54,711

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year	817,802,098	820,042,378	820,042,378
34. Net income or (loss) from Line 32	(30,077,226)	3,530,621	4,265,332
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of $.....0	3,486,613	(453,898)	2,234,116
37. Change in net unrealized foreign exchange capital gain or (loss)	(503,914)	(200,279)	(1,315,463)
38. Change in net deferred income tax	(1,238,147)	(6,285,882)	2,217,600
39. Change in nonadmitted assets	(10,086,899)	13,889,744	(9,666,143)
40. Change in unauthorized and certified reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus	377,185	0	24,278
48. Net change in capital and surplus (Lines 34 to 47)	(38,042,388)	10,480,306	(2,240,280)
49. Capital and surplus end of reporting period (Line 33 plus 48)	779,759,710	830,522,684	817,802,098

DETAILS OF WRITE-INS

4701. Capital Lease Adjustment	364,342		24,278
4702. Miscellaneous	12,843		
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	377,185	0	24,278

CASH FLOW

		1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CASH FROM OPERATIONS			
1.	Premiums collected net of reinsurance	604,457,449	553,007,433	2,250,261,996
2.	Net investment income	4,686,675	4,911,624	17,251,817
3.	Miscellaneous income			
4.	Total (Lines 1 through 3)	609,144,123	557,919,057	2,267,513,813
5.	Benefit and loss related payments	512,206,116	458,125,671	1,927,097,799
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	103,553,639	107,487,575	312,821,054
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	3,685,993		15,320,461
10.	Total (Lines 5 through 9)	619,445,748	565,613,246	2,255,239,314
11.	Net cash from operations (Line 4 minus Line 10)	(10,301,624)	(7,694,189)	12,274,499
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	12,610,000	26,827,002	49,194,912
	12.2 Stocks	4,451,546	6,310,423	13,106,032
	12.3 Mortgage loans			
	12.4 Real estate			
	12.5 Other invested assets			471,130
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			8,608
	12.7 Miscellaneous proceeds		2,047,558	4,210,979
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	17,061,546	35,184,983	66,991,661
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	42,932,043	4,616,617	48,294,598
	13.2 Stocks	5,042,816		4,577,793
	13.3 Mortgage loans			
	13.4 Real estate	122,656	3,387,103	6,997,934
	13.5 Other invested assets			200,000
	13.6 Miscellaneous applications	20,018,230	17,867,498	
	13.7 Total investments acquired (Lines 13.1 to 13.6)	68,115,745	25,871,218	60,070,325
14.	Net increase or (decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(51,054,199)	9,313,765	6,921,336
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):			
	16.1 Surplus notes, capital notes			
	16.2 Capital and paid in surplus, less treasury stock			
	16.3 Borrowed funds			
	16.4 Net deposits on deposit-type contracts and other insurance liabilities			
	16.5 Dividends to stockholders			
	16.6 Other cash provided (applied)	(16,571,994)	10,437,759	27,345,940
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(16,571,994)	10,437,759	27,345,940
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(77,927,818)	12,057,335	46,541,775
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	350,878,467	304,336,692	304,336,692
	19.2 End of period (Line 18 plus Line 19.1)	272,950,649	316,394,027	350,878,467

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

20.0001			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at End of:										
1. Prior Year	646,607	248,295	130,943	116,480	9,466	56,403	54,161	18,266		12,593
2. First Quarter	667,596	273,750	131,206	117,281	10,106	52,282	53,813	17,644		11,514
3. Second Quarter	0									
4. Third Quarter	0									
5. Current Year	0									
6. Current Year Member Months	1,987,389	802,574	393,358	351,560	30,350	155,793	161,992	53,120		38,642
Total Member Ambulatory Encounters for Period:										
7. Physician	769,720	118,335	81,929	464,106		105,350				
8. Non-Physician	1,086,156	251,240	402,065	432,851						
9. Total	1,855,876	369,575	483,994	896,957	0	105,350	0	0	0	0
10. Hospital Patient Days Incurred	945,470	139,017	373,602	432,851						
11. Number of Inpatient Admissions	11,204	626	2,053	8,525						
12. Health Premiums Written (a)	589,643,689	270,243,635	130,754,260	62,072,102	556,117	11,176,665	66,399,118	36,847,924		11,593,868
13. Life Premiums Direct	0									
14. Property/Casualty Premiums Written	0									
15. Health Premiums Earned	588,800,493	270,749,750	130,828,148	61,869,747	556,117	11,166,634	65,189,481	36,847,924		11,592,691
16. Property/Casualty Premiums Earned	0									
17. Amount Paid for Provision of Health Care Services	525,859,094	222,338,728	141,118,385	54,798,231	740,257	7,642,810	57,492,062	31,496,023		10,232,598
18. Amount Incurred for Provision of Health Care Services	522,468,411	253,739,131	103,355,820	56,890,537	739,724	7,636,810	57,549,441	31,230,636		11,326,312

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees $.....0.

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

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0399999. Aggregate Accounts Not Individually Listed-Covered	22,063,481	320,799	32,703	21,358	117,470	22,555,811
0499999. Subtotals	22,063,481	320,799	32,703	21,358	117,470	22,555,811
0599999. Unreported Claims and Other Claim Reserves						200,976,978
0799999. Total Claims Unpaid						223,532,790
0899999. Accrued Medical Incentive Pool and Bonus Amounts						1,161,187

UNDERWRITING AND INVESTMENT EXHIBIT

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	100,290,414	292,842,769	21,493,838	141,159,657	121,784,252	150,451,391
2. Medicare Supplement	15,723,814	39,074,416	1,516,147	20,860,553	17,239,961	20,279,100
3. Dental only	1,557,737	6,085,073	154,183	1,780,817	1,711,920	1,941,000
4. Vision only		740,257		37,560	0	38,093
5. Federal Employees Health Benefits Plan	14,246,295	43,017,357	2,430,070	15,163,850	16,676,365	17,536,540
6. Title XVIII - Medicare	12,629,924	18,866,099	2,483,040	14,536,960	15,112,964	17,609,423
7. Title XIX - Medicaid					0	
8. Other health	140,620	10,081,035	31,304	(8,771,413)	171,924	6,890,085
9. Health subtotal (Lines 1 to 8)	144,588,804	410,707,006	28,108,582	184,767,984	172,697,386	214,745,632
10. Healthcare receivables (a)	7,766,171	21,988,749			7,766,171	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts		2,124,473		1,161,187	0	1,161,187
13. Totals (Lines 9-10+11+12)	136,822,633	390,842,730	28,108,582	185,929,171	164,931,215	215,906,819

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

	State of Domicile	Current Period	Prior Year
NET INCOME			
(1) USAble Mutual Insurance Company state basis (Page 4, Line 32, Columns 2 & 4)	AR	$ (30,077,226)	$ 4,265,332
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	AR	$ (30,077,226)	$ 4,265,332
SURPLUS			
(5) USAble Mutual Insurance Company state basis (Page 3, line 33, Columns 3 & 4)	AR	$ 779,759,710	$ 817,802,098
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	AR	$ 779,759,710	$ 817,802,098

C. Accounting Policy

(6)

D. Going Concern

NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No significant changes

NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL

No significant change.

NOTE 4 – DISCONTINUED OPERATIONS

No significant changes

NOTE 5 – INVESTMENTS

D. Loan-Backed Securities - N/A

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No significant changes

NOTE 7 – INVESTMENT INCOME

No significant changes

NOTE 8 – DERIVATIVE INSTRUMENTS

No significant changes

NOTE 9 – INCOME TAXES

No significant changes

NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

No significant changes

NOTE 11 – DEBT

B. FHLB (Federal Home Loan Bank) Agreements - N/A

NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plan

NOTES TO FINANCIAL STATEMENTS

(4)	Components of net periodic benefit cost		Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
			Current Period	Prior Year	Current Period	Prior Year	Current Period	Prior Year
	a.	Service cost	$	$	$ 255,250	$ 1,179,000	$	$
	b.	Interest cost			1,471,500	6,068,000		
	c.	Expected return on plan assets						
	d.	Transition asset or obligation						
	e.	Gains and losses			(653,500)	(2,664,000)		
	f.	Prior service cost or credit				2,664,000		
	g.	Gain or loss recognized due to a settlement curtailment						
	h.	Total net periodic benefit cost	$	$	$ 1,073,250	$ 7,247,000	$	$

NOTE 13 – CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

No significant changes

NOTE 14 – LIABILITIES, CONTINGENCIES AND ASSESSMENTS

No significant changes.

NOTE 15 – LEASES

No significant changes

NOTE 16 – INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No significant changes

NOTE 17 – SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES - N/A

B. Transfer and Servicing of Financial Assets - N/A

C. Wash Sales - N/A

NOTE 18 – GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE PORTION OF PARTIALLY INSURED PLANS

Not applicable

NOTE 19 – DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable

NOTE 20 – FAIR VALUE MEASUREMENTS

A.

(1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds	$	$	$	$
Industrial and Misc		5,946,776		5,946,776
Common Stock				
Industrial and Misc	71,399,685	27,303,861		98,703,547
Mutual Fund		886,816		886,816
Parent, Subsididaries and Affiliates			153,849,441	153,849,441
Total	$ 71,399,685	$ 34,137,453	$ 153,849,441	$ 259,386,580

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
	$	$	$	$
Total	$	$	$	$

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

a. Assets	Beginning Balance at current period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at current period
Parent, Subsididaries and Affiliates	$ 153,302,313	$	$	$	$ 547,128	$	$	$	$	$ 153,849,441

NOTES TO FINANCIAL STATEMENTS

Total	$ 153,302,313	$	$	$	$ 547,128	$	$	$	$	$ 153,849,441

b. Liabilities	Beginning Balance at current period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at current period
	$	$	$	$	$	$	$	$	$	$
Total	$	$	$	$	$	$	$	$	$	$

(3)

(4)

(5)

B.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	$ 5,946,776	$ 5,946,776	$	$ 5,946,776	$	$
Common Stock			71,399,685	28,190,677	153,849,441	

D. Not Practicable to Estimate Fair Value

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

NOTE 21 – OTHER ITEMS

No significant changes

NOTE 22 – EVENTS SUBSEQUENT

No significant changes

NOTE 23 – REINSURANCE

No significant changes

NOTE 24 – RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

E. Risk-Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current period:

			AMOUNT
a.	Permanent ACA Risk Adjustment Program		
	Assets		
	1.	Premium adjustments receivable due to ACA Risk Adjustment	$ 7,725,943
	Liabilities		
	2.	Risk adjustment user fees payable for ACA Risk Adjustment	
	3.	Premium adjustments payable due to ACA Risk Adjustment	
	Operations (Revenue & Expenses)		
	4.	Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	101,011
	5.	Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	$ 2,621,813
b.	Transitional ACA Reinsurance Program		
	Assets		
	1.	Amounts recoverable for claims paid due to ACA Reinsurance	$ 36,775,124
	2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	5,539,430
	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	6,760,324
	5.	Ceded reinsurance premiums payable due to ACA Reinsurance	1,035,737
	6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	$ 59,553
	Operations (Revenue & Expenses)		
	7.	Ceded reinsurance premiums due to ACA Reinsurance	$ 1,035,737
	8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	8,938,554
	9.	ACA Reinsurance contributions – not reported as ceded premium	$ 2,110,562
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	

NOTES TO FINANCIAL STATEMENTS

Operations (Revenue & Expenses)			
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 Period on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
							Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
			1	2	3	4	5	6	7	8	9	10	11
			Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a.	Permanent ACA Risk Adjustment Program												
	1.	Premium adjustments receivable	$ 7,725,943	$	$	$	$ 7,725,943	$	$	$	A	$ 7,725,943	$
	2.	Premium adjustments (payable)									B		
	3.	Subtotal ACA Permanent Risk Adjustment Program	$ 7,725,943	$	$	$	$ 7,725,943	$	$	$		$ 7,725,943	$
b.	Transitional ACA Reinsurance Program												
	1.	Amounts recoverable for claims paid	$ 49,777,382	$ 24,128,073	$	$	$ 49,777,382	$ 24,128,073	$	$	C	$ 49,777,382	$ 24,128,073
	2.	Amounts recoverable for claims unpaid (contra liability)	7,726,705				7,726,705				D	7,726,705	
	3.	Amounts receivable relating to uninsured plans									E		
	4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums		12,936,819		8,053,057		4,883,762			F		4,883,762
	5.	Ceded reinsurance premiums payable		6,598,184		6,598,184					G		
	6.	Liability for amounts held under uninsured plans		238,215		178,662		59,553			H		59,553
	7.	Subtotal ACA Transitional Reinsurance Program	$ 57,504,087	$ 43,901,291	$	$ 14,829,903	$ 57,504,087	$ 29,071,388	$	$		$ 57,504,087	$ 29,071,388
c.	Temporary ACA Risk Corridors Program												
	1.	Accrued retrospective premium	$	$	$	$	$	$	$	$	I	$	$
	2.	Reserve for rate credits or policy experience rating refunds									J		
	3.	Subtotal ACA Risk Corridors Program											
d.	Total for ACA Risk Sharing Provisions		$ 65,230,030	$ 43,901,291	$	$ 14,829,903	$ 65,230,030	$ 29,071,388	$	$		$ 65,230,030	$ 29,071,388

Explanations of Adjustments

A.
B.
C.
D.
E.
F.
G.
H.
I.
J.

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves as of December 31, 2015 were $214,745,632. As of March 31, 2016, $144,588,805 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $28,108,582 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on all lines of insurance. Therefore, there has been a $42,048,245 prior year development since December 31, 2015 to March 31, 2016. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

No significant changes

NOTE 27 – STRUCTURED SETTLEMENTS

Not Applicable for Health Entities

NOTE 28 – HEALTH CARE RECEIVABLES

No significant changes

NOTES TO FINANCIAL STATEMENTS

NOTE 29 – PARTICIPATING POLICIES

No significant changes

NOTE 30 – PREMIUM DEFICIENCY RESERVES

No significant changes

NOTE 31 – ANTICIPATED SALVAGE AND SUBROGATION

No significant changes.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No [ ]

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes [ ] No [X] N/A [ ]

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2010

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2010

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/17/2012

6.4 By what department or departments?

Arkansas Insurance Department

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

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

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

7.2 If yes, give full information:

8.1 Is the company a subsidiary of a bank holding company regulated with 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 the 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

9.1 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.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [X]

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No [ ]

14.2 If yes, please complete the following:

		1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21	Bonds	$ 0	$ 0
14.22	Preferred Stock	0	0
14.23	Common Stock	153,302,313	153,849,441
14.24	Short-Term Investments	0	0
14.25	Mortgage Loans on Real Estate	0	0
14.26	All Other	79,826,804	80,810,686
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	$ 233,129,117	$ 234,660,127
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above	$ 0	$ 0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

16.3 Total payable for securities lending reported on the liability page: $ 0

17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?
Yes [X] No [ ]

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

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

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [X]

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

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

17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
116359	Foundation Resource Management	401 W Capital, Ste 501, Little Rock, AR 72201

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1.	Operating Percentages:		
	1.1 A&H loss percent		87.3 %
	1.2 A&H cost containment percent		0.1 %
	1.3 A&H expense percent excluding cost containment expenses		18.1 %
2.1	Do you act as a custodian for health savings accounts?	Yes [ ]	No [X]
2.2	If yes, please provide the amount of custodial funds held as of the reporting date.		0
2.3	Do you act as an administrator for health savings accounts?	Yes [ ]	No [X]
2.4	If yes, please provide the amount of funds administered as of the reporting date.		0

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsuer Rating

NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only 2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and 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	481,881,458	36,847,924		66,399,118			585,128,500	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	N							0	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	L	4,515,189						4,515,189	
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	XX	0	0	0	0	0	0	0	0
59. Subtotal	XX	486,396,647	36,847,924	0	66,399,118	0	0	589,643,689	0
60. Reporting entity contributions for Employee Benefit Plans	XX							0	
61. Total (Direct Business)	(a) 2	486,396,647	36,847,924	0	66,399,118	0	0	589,643,689	0
DETAILS OF WRITE-INS									
58001.								0	
58002.								0	
58003.								0	
58998. Summary of remaining write-ins for line 58 from overflow page		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above)		0	0	0	0	0	0	0	0

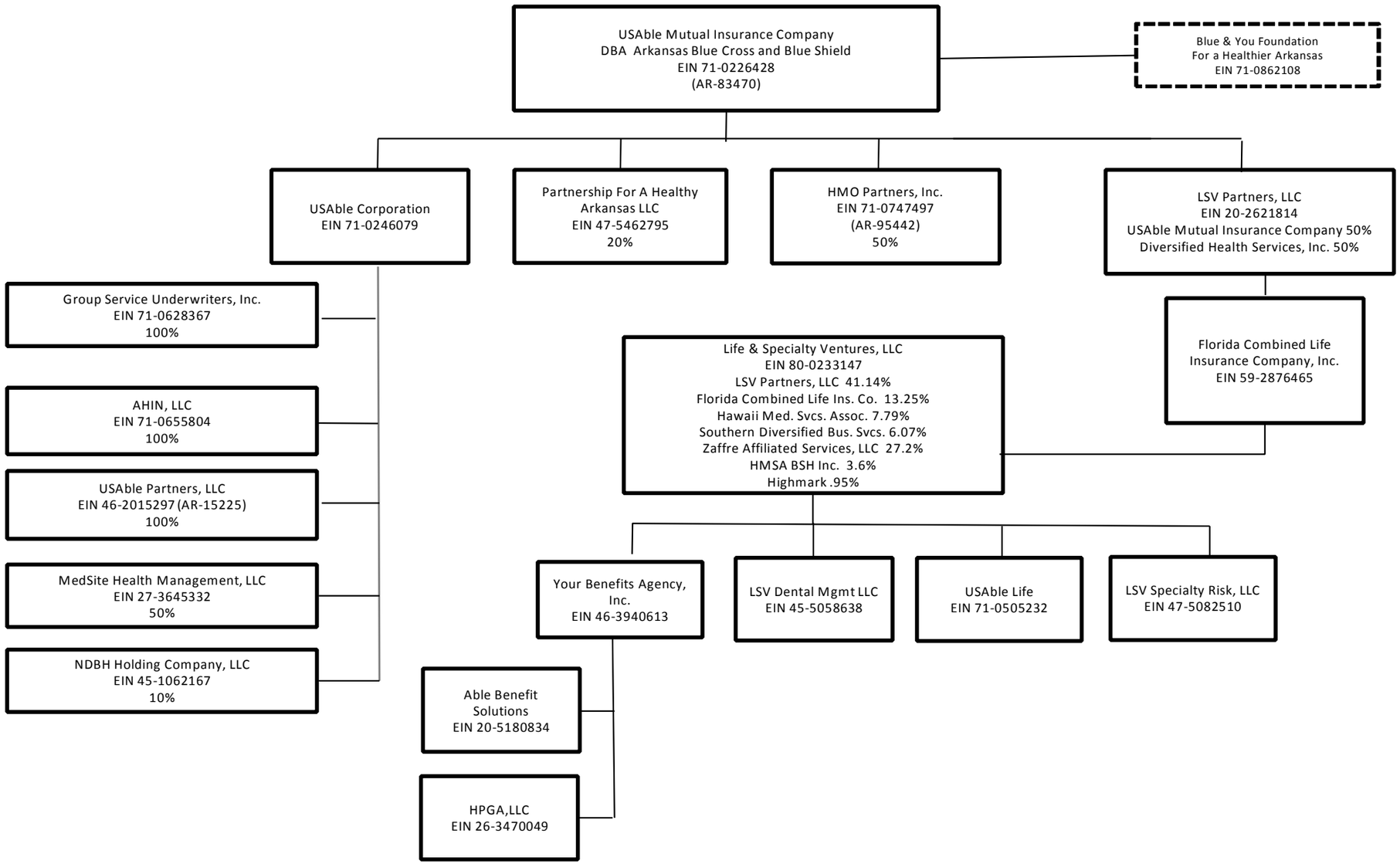
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(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.

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

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

PART 1 – ORGANIZATIONAL CHART



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

PART 1 – ORGANIZATIONAL CHART

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Public Traded (U.S. or International)	Name of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
Members														
0876..	USAble Mutual Insurance Company	83470.....	71-0226428..	.....	.....	.....	USAble Mutual Insurance Company.....	AR.....	.....	USAble Mutual Insurance Company.....	Board.....	.....	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	71-0862108..	.....	.....	.....	Blue & You Foundation.....	AR.....	NIA.....	USAble Mutual Insurance Company.....	Ownership, Board, Influence	.....	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	47-5462795..	.....	.....	.....	Partnership For A Healthy Arkansas LLC.....	AR.....	DS.....	USAble Mutual Insurance Company.....	Ownership, Influence, Board	.....20.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	71-0246079..	.....	.....	.....	USAble Corporation.....	AR.....	DS.....	USAble Mutual Insurance Company.....	Ownership, Board, Influence	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	95442.....	71-0747497..	.....	.....	.....	HMO Partners, Inc.....	AR.....	DS.....	USAble Mutual Insurance Company.....	Ownership, Board, Influence	.....50.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	20-2621814..	.....	.....	.....	LSV Partners, LLC.....	DE.....	DS.....	USAble Mutual Insurance Company.....	Ownership, Board, Influence	.....50.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	71-0628367..	.....	.....	.....	Group Service Underwriters, Inc.....	AR.....	DS.....	USAble Corporation.....	Ownership, Influence	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	71-0655804..	.....	.....	.....	AHIN, LLC.....	AR.....	DS.....	USAble Corporation.....	Ownership, Influence	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	27-3645332..	.....	.....	.....	MedSite Health Management, LLC.....	AR.....	DS.....	USAble Corporation.....	Ownership, Board, Influence	.....50.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	15225.....	46-2015297..	.....	.....	.....	USAble Partners, LLC.....	VT.....	DS.....	USAble Corporation.....	Ownership, Board, Influence	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	45-1062167..	.....	.....	.....	NDBH Holding Company, LLC.....	AR.....	DS.....	USAble Corporation.....	Ownership, Influence	.....10.000	USAble Mutual Insurance Company.....	.....
0536..	GuideWell Mutual Holding Corporation	76031.....	59-2876465..	.....	.....	.....	Florida Combined Life Insurance Co, Inc.....	FL.....	IA.....	LSV Partners, Inc.....	Ownership, Influence	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	80-0233147..	.....	.....	.....	Life & Specialty Ventures, Inc.....	DE.....	NIA.....	Florida Combined Life Insurance Co, Inc.....	Ownership.....	.....13.250	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	80-0233147..	.....	.....	.....	Life & Specialty Ventures, Inc.....	DE.....	NIA.....	LSV Partners, Inc.....	Ownership, Board, Influence	.....41.140	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	45-5058638..	.....	.....	.....	LSV Dental Management LLC.....	AR.....	NIA.....	Life and Specialty Ventures, LLC.....	Ownership.....	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	20-5180834..	.....	.....	.....	Able Benefit Solutions.....	AR.....	NIA.....	Life and Specialty Ventures, LLC.....	Ownership.....	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	94358.....	71-0505232..	.....	.....	.....	USAble Life.....	AR.....	IA.....	Life and Specialty Ventures, LLC.....	Ownership.....	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	46-3940613..	.....	.....	.....	Your Benefits Agency, Inc.....	AR.....	NIA.....	Life and Specialty Ventures, LLC.....	Ownership.....	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	47-5082510..	.....	.....	.....	LSV Specialty Risk, LLC.....	AR.....	NIA.....	Life and Specialty Ventures, LLC.....	Ownership.....	...100.000	USAble Mutual Insurance Company.....	.....
0876..	USAble Mutual Insurance Company	.....	26-3470049..	.....	.....	.....	HPGA, LLC.....	AR.....	NIA.....	Life and Specialty Ventures, LLC.....	Ownership.....	...100.000	USAble Mutual Insurance Company.....	.....

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SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	YES

Explanation:

1.

Bar Code:

Overflow Page for Write-Ins

NONE

SCHEDULE A - VERIFICATION

Real Estate

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	47,792,671	45,458,642
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition	122,656	6,997,934
3.	Current year change in encumbrances		
4.	Total gain (loss) on disposals		
5.	Deduct amounts received on disposals		
6.	Total foreign exchange change in book/adjusted carrying value		
7.	Deduct current year's other-than-temporary impairment recognized		
8.	Deduct current year's depreciation	1,112,160	4,663,905
9.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)	46,803,167	47,792,671
10.	Deduct total nonadmitted amounts		
11.	Statement value at end of current period (Line 9 minus Line 10)	46,803,167	47,792,671

SCHEDULE B - VERIFICATION

Mortgage Loans

NONE

		1 Year to Date	2 Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year	0	
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)		
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		
8.	Deduct amortization of premium and mortgage interest points and commitment fees		
9.	Total foreign exchange change in book value/recorded investment excluding accrued interest		
10.	Deduct current year's other-than-temporary impairment recognized		
11.	Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12.	Total valuation allowance		
13.	Subtotal (Line 11 plus Line 12)	0	0
14.	Deduct total nonadmitted amounts		
15.	Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	79,826,804	78,818,243
2.	Cost of acquired:		
	2.1 Actual cost at time of acquisition		200,000
	2.2 Additional investment made after acquisition		
3.	Capitalized deferred interest and other		
4.	Accrual of discount		
5.	Unrealized valuation increase (decrease)	983,882	1,279,691
6.	Total gain (loss) on disposals		
7.	Deduct amounts received on disposals		471,130
8.	Deduct amortization of premium and depreciation		
9.	Total foreign exchange change in book/adjusted carrying value		
10.	Deduct current year's other-than-temporary impairment recognized		
11.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	80,810,686	79,826,804
12.	Deduct total nonadmitted amounts		
13.	Statement value at end of current period (Line 11 minus Line 12)	80,810,686	79,826,804

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	764,799,207	833,379,144
2.	Cost of bonds and stocks acquired	47,974,859	52,872,391
3.	Accrual of discount	79,022	296,674
4.	Unrealized valuation increase (decrease)	1,789,227	(48,364,012)
5.	Total gain (loss) on disposals	3,345,015	3,092,340
6.	Deduct consideration for bonds and stocks disposed of	17,061,546	62,300,944
7.	Deduct amortization of premium	1,417,337	5,957,991
8.	Total foreign exchange change in book/adjusted carrying value	503,914	(1,315,463)
9.	Deduct current year's other-than-temporary impairment recognized		6,902,932
10.	Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	800,012,363	764,799,207
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	800,012,363	764,799,207

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	751,013,767	665,642,604	717,101,073	(9,439,050)	690,116,247			751,013,767
2. NAIC 2 (a)	47,896,286	10,692,777		5,734,456	64,323,519			47,896,286
3. NAIC 3 (a)	5,227,213			1,410,738	6,637,951			5,227,213
4. NAIC 4 (a)				1,308,825	1,308,825			
5. NAIC 5 (a)					0			
6. NAIC 6 (a)					0			
7. Total Bonds	804,137,266	676,335,381	717,101,073	(985,032)	762,386,542	0	0	804,137,266
PREFERRED STOCK								
8. NAIC 1					0			
9. NAIC 2					0			
10. NAIC 3					0			
11. NAIC 4					0			
12. NAIC 5					0			
13. NAIC 6					0			
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	804,137,266	676,335,381	717,101,073	(985,032)	762,386,542	0	0	804,137,266

QSI02

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $.....0; NAIC 2 $.....0; NAIC 3 $.....0; NAIC 4 $.....0; NAIC 5 $.....0; NAIC 6 $.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999	200,286,175	XXX	200,325,852	265,626	51,805

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	269,677,239	270,685,863
2. Cost of short-term investments acquired	613,404,900	2,163,923,557
3. Accrual of discount	42,841	172,596
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	(1,990)	8,608
6. Deduct consideration received on disposals	682,799,083	2,165,019,498
7. Deduct amortization of premium	37,731	93,887
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	200,286,175	269,677,239
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	200,286,175	269,677,239

Sch. DB - Pt. A - Verification
NONE

Sch. DB - Pt. B - Verification
NONE

Sch. DB - Pt. C - Sn. 1
NONE

Sch. DB - Pt. C - Sn. 2
NONE

Sch. DB - Verification
NONE

SCHEDULE E- VERIFICATION

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	21,694,987	
2. Cost of cash equivalents acquired	19,998,438	21,698,266
3. Accrual of discount	1,503	36
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	21,690,000	
7. Deduct amortization of premium	5,709	3,315
8. Total foreign exchange change in book/ adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	19,999,219	21,694,987
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	19,999,219	21,694,987

Sch. A - Pt. 2
NONE

Sch. A - Pt. 3
NONE

Sch. B - Pt. 2
NONE

Sch. B - Pt. 3
NONE

Sch. BA - Pt. 2
NONE

Sch. BA - Pt. 3
NONE

SCHEDULE D - PART 3

Show all Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
912828 P4 6	UNITED STATES TREASURY		03/23/2016	MERRILL LYNCH PIERCE FENNER		21,412,160	22,000,000	37,321	1
0599999. Total Bonds - U.S Government						21,412,160	22,000,000	37,321	XXX
Bonds - U.S. Special Revenue and Special Assessment									
70922P AE 2	PENNSYLVANIA ST TPK COMMN SPL OBLIG		02/10/2016	RAYMOND JAMES/FI		508,250	500,000	1,770	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						508,250	500,000	1,770	XXX
Bonds - Industrial and Miscellaneous									
001055 AH 5	AFLAC INC		01/13/2016	Southwest Securities		558,063	550,000	6,235	1FE
099724 AG 1	BORGWARNER INC		03/02/2016	Southwest Securities		543,020	500,000	11,049	2FE
17275R BD 3	CISCO SYSTEMS INC		03/11/2016	Stifel Nicolaus & Co		4,133,847	4,115,000	4,275	1FE
303901 AB 8	FAIRFAX FINANCIAL HOLDINGS LIMITED	I	03/22/2016	Southwest Securities		1,260,869	1,059,000	36,664	2FE
303901 AG 7	FAIRFAX FINANCIAL HOLDINGS LIMITED	I	02/25/2016	BOSC INC		3,499,125	3,225,000	89,852	2FE
375558 BB 8	GILEAD SCIENCES INC		02/05/2016	JP Morgan		2,032,620	2,000,000	20,683	1FE
428236 BQ 5	HEWLETT-PACKARD CO		02/25/2016	Merril Lynch Pierce Fenner Smith		3,171,875	3,125,000	63,043	2FE
452308 AP 4	ILLINOIS TOOL WORKS INC		02/03/2016	Stifel Nicolaus & Co		1,059,090	1,000,000	13,406	1FE
61166W AT 8	MONSANTO CO		03/09/2016	BOSC INC		1,019,486	1,015,000	4,575	1FE
74432Q BT 1	PRUDENTIAL FINANCIAL INC		03/03/2016	CREWS & ASSOCIATES, INC		1,143,230	1,050,000	14,700	2FE
747525 AD 5	QUALCOMM INC		02/09/2016	Southwest Securities		1,515,750	1,500,000	7,688	1FE
91913Y AN 0	VALERO ENERGY CORP		03/01/2016	Stifel Nicolaus & Co		447,374	385,000	16,944	2FE
91913Y AR 1	VALERO ENERGY CORP		02/22/2016	Southwest Securities		627,285	589,000	2,405	2FE
3899999. Total Bonds - Industrial and Miscellaneous						21,011,633	20,113,000	291,518	XXX
8399997. Total Bonds - Part 3						42,932,043	42,613,000	330,609	XXX
8399999. Total Bonds						42,932,043	42,613,000	330,609	XXX
Common Stocks - Industrial and Miscellaneous									
30231G 10 2	EXXON MOBIL ORD		01/12/2016	Merril Lynch Pierce Fenner Smith	58,700.000	4,388,764	XXX		L
40434L 10 5	HP Inc.		01/21/2016	UBS FINANCIAL SERVICES INC	65,900.000	654,051	XXX		L
9099999. Total Common Stocks - Industrial and Miscellaneous						5,042,816	XXX	0	XXX
9799997. Total Common Stocks - Part 3						5,042,816	XXX	0	XXX
9799999. Total Common Stocks						5,042,816	XXX	0	XXX
9899999. Total Preferred and Common Stocks						5,042,816	XXX	0	XXX
9999999. Total Bonds, Preferred and Common Stocks						47,974,859	XXX	330,609	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Desig-nation or Market Indicator (a)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
212597 XK 9	CONWAY ARK SCH DIST NO 001	.	02/01/2016.	Redemption		375,000	375,000	421,144	376,375		(1,375)		(1,375)		375,000			0	9,375	02/01/2036	1FE
212597 XP 8	CONWAY ARK SCH DIST NO 001	.	02/01/2016.	Redemption		830,000	830,000	930,066	833,138		(3,138)		(3,138)		830,000			0	20,750	02/01/2040	1FE
93978H HF 5	WASHINGTON ST HEALTH CARE FACS AUTH REV	.	02/01/2016.	Adjustment							2,451		2,451					0		12/01/2019	1
93978H HG 3	WASHINGTON ST HEALTH CARE FACS AUTH REV	.	02/01/2016.	Adjustment							2,990		2,990					0		12/01/2020	1
93978H HH 1	WASHINGTON ST HEALTH CARE FACS AUTH REV	.	02/01/2016.	Adjustment							3,458		3,458					0		12/01/2021	1
2499999. Total Bonds - U.S. Political Subdivisions of States, Territories and Possessions						1,205,000	1,205,000	1,351,209	1,209,513	0	4,386	0	4,386	0	1,205,000	0	0	0	30,125	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
167673 BH 4	CHICAGO ILL PUB BLDG COMMN SPL OBLIG	.	01/04/2016.	Maturity		3,005,000	3,005,000	3,616,232	3,005,000				0		3,005,000			0	97,663	01/01/2016	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						3,005,000	3,005,000	3,616,232	3,005,000	0	0	0	0	0	3,005,000	0	0	0	97,663	XXX	XXX
Bonds - Industrial and Miscellaneous																					
03523T BA 5	ANHEUSER-BUSCH INBEV WORLDWIDE INC	R	02/16/2016.	Maturity		1,400,000	1,400,000	1,487,080	1,402,957		(2,957)		(2,957)		1,400,000			0	20,125	02/15/2016	1FE
26875P AH 4	EOG RESOURCES INC	.	02/01/2016.	Maturity		3,000,000	3,000,000	2,929,740	2,998,697		1,303		1,303		3,000,000			0	37,500	02/01/2016	1FE
459200 GU 9	INTERNATIONAL BUSINESS MACHINES CORP	.	01/05/2016.	Maturity		1,500,000	1,500,000	1,457,445	1,499,902		98		98		1,500,000			0	15,000	01/05/2016	1FE
540424 AN 8	LOEWS CORPORATION	.	03/15/2016.	Maturity		2,500,000	2,500,000	2,716,825	2,509,271		(9,271)		(9,271)		2,500,000			0	65,625	03/15/2016	1FE
626717 AE 2	MURPHY OIL CORP	.	02/01/2016.	Adjustment							10,166		10,166					0		12/01/2017	2FE
3899999. Total Bonds - Industrial and Miscellaneous						8,400,000	8,400,000	8,591,090	8,410,826	0	(660)	0	(660)	0	8,400,000	0	0	0	138,250	XXX	XXX
8399997. Total Bonds - Part 4						12,610,000	12,610,000	13,558,531	12,625,339	0	3,725	0	3,725	0	12,610,000	0	0	0	266,038	XXX	XXX
8399999. Total Bonds						12,610,000	12,610,000	13,558,531	12,625,339	0	3,725	0	3,725	0	12,610,000	0	0	0	266,038	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
91913Y 10 0	VALERO ENERGY ORD	.	01/12/2016.	UBS FINANCIAL SERVICES INC	63,081.000	4,451,546	XXX	1,106,530	4,460,458	(3,353,927)			(3,353,927)		1,106,530		3,345,015	3,345,015		XXX	L
9099999. Total Common Stocks - Industrial and Miscellaneous						4,451,546	XXX	1,106,530	4,460,458	(3,353,927)	0	0	(3,353,927)	0	1,106,530	0	3,345,015	3,345,015	0	XXX	XXX
9799997 Total Common Stocks - Part 4						4,451,546	XXX	1,106,530	4,460,458	(3,353,927)	0	0	(3,353,927)	0	1,106,530	0	3,345,015	3,345,015	0	XXX	XXX
9799999. Total Common Stocks						4,451,546	XXX	1,106,530	4,460,458	(3,353,927)	0	0	(3,353,927)	0	1,106,530	0	3,345,015	3,345,015	0	XXX	XXX
9899999. Total Preferred and Common Stocks						4,451,546	XXX	1,106,530	4,460,458	(3,353,927)	0	0	(3,353,927)	0	1,106,530	0	3,345,015	3,345,015	0	XXX	XXX
9999999. Total Bonds, Preferred and Common Stocks						17,061,546	XXX	14,665,061	17,085,797	(3,353,927)	3,725	0	(3,350,202)	0	13,716,530	0	3,345,015	3,345,015	266,038	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE05

Sch. DB - Pt. A - Sn. 1
NONE

Sch. DB - Pt. B - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 2
NONE

Sch. DL - Pt. 1
NONE

Sch. DL - Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
Bank of America Little Rock, AR								XXX
BAAA Claims					5,134,410	1,256,921	7,227,169	XXX
BAAA Operating					5,474,546	3,881,756	5,420,865	XXX
BAAA Refunds					451,397	467,280	176,187	XXX
CHIP Claims					245,388	245,388		XXX
Exchange Claims					(1,464,515)	(21,530,733)	(1,625,917)	XXX
General Acct					1,209,027	7,903,353	1,687,227	XXX
LTC CHCS					185,664	210,053	187,050	XXX
Med Adv ACH Prems					1,751	(85,998)	22,839	XXX
Med Adv Lockbox						120,335	285,555	XXX
Payroll Acct					(4,274,105)	27,958	4,605,392	XXX
PDP ACH Premiums					13,226	13,226	13,226	XXX
PDP Lockbox						(2,023)	(248,400)	XXX
USAM Claims					12,985,692	13,211,057	13,522,191	XXX
Walmart Claims					12,331,053	13,205,366	14,281,879	XXX
Bank of America Vandalia, MO								XXX
Accounts Payable					(2,428,378)	(5,826,028)	(1,759,746)	XXX
GCPS Assigned					(40,366)	(65,527)	(86,747)	XXX
GCPS Unassigned					(379,027)	(321,069)	(277,037)	XXX
Simmons First National Bank Pine Bluff, AR								XXX
Accts Payable EFT					(18)	(145)	48	XXX
BlueCard Claims					(140,009)	(106,102)	(216,102)	XXX
FEP Basic Option					(69,720)	(54,436)	(51,085)	XXX
FEP Investment					91,308	80,376	80,467	XXX
FEP Standard Option					(146,576)	(127,702)	(100,309)	XXX
Med Adv Claims					(195,436)	(43,605)	(17,566)	XXX
Medipak Assigned					(176,621)	(151,212)	(148,544)	XXX
Medipak Unassigned					(511,722)	(447,922)	(575,345)	XXX
Parent Acct					322,166	1,538,254	3,521,928	XXX
US Bank St. Louis, MO								XXX
Exchange Lockbox					308,304	957,508	2,242,926	XXX
Membrs Lockbox					2,661,542	2,301,424	2,102,376	XXX
Uninvested Cash					5,032,175		8,357	XXX
0199998. Deposits in 59 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	XXX	XXX			2,380,000	2,380,000	2,380,000	XXX
0199999. Total Open Depositories	XXX	XXX	0	0	39,001,157	19,037,754	52,658,885	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	39,001,157	19,037,754	52,658,885	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX	6,372	6,372	6,372	XXX
0599999. Total Cash	XXX	XXX	0	0	39,007,529	19,044,125	52,665,257	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
U.S. Government Bonds - Issuer Obligations							
UNITED STATES TREASURY		02/16/2016	0.250	05/15/2016	19,999,219	18,956	781
0199999. U.S. Government Bonds - Issuer Obligations					19,999,219	18,956	781
0599999. Total - U.S. Government Bonds					19,999,219	18,956	781
Total Bonds							
7799999. Subtotals - Issuer Obligations					19,999,219	18,956	781
8399999. Subtotals - Bonds					19,999,219	18,956	781
8699999. Total - Cash Equivalents					19,999,219	18,956	781

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MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....876 NAIC Company Code.....83470

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums collected	9,702,567	XXX	637,005	XXX	10,339,572
2. Earned premiums	9,702,567	XXX	543,200	XXX	XXX
3. Claims paid	10,182,010	XXX	355,598	XXX	10,537,608
4. Claims incurred	10,115,467	XXX	353,744	XXX	XXX
5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a)	XXX		XXX		0
6. Aggregate policy reserves - change		XXX		XXX	XXX
7. Expenses paid	3,303,052	XXX	148,328	XXX	3,451,380
8. Expenses incurred	3,300,143	XXX	148,222	XXX	XXX
9. Underwriting gain or loss	(3,713,043)	XXX	41,234	XXX	XXX
10. Cash flow results	XXX	XXX	XXX	XXX	(3,649,416)

(a) Uninsured Receivable/Payable with CMS at End of Quarter $.....0 due from CMS or $.....0 due to CMS.