



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2017
OF THE CONDITION AND AFFAIRS OF THE
Neighborhood Health Plan of Rhode Island

NAIC Group Code 0000 (Current Period), 0000 (Prior Period), NAIC Company Code 95402, Employer's ID Number 05-0477052

Organized under the Laws of Rhode Island, State of Domicile or Port of Entry RI

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health, Dental Service Corporation, Other, Property/Casualty, Vision Service Corporation, Is HMO Federally Qualified?, Hospital, Medical & Dental Service or Indemnity, Health Maintenance Organization

Incorporated/Organized 12/09/1993, Commenced Business 12/01/1994

Statutory Home Office 910 Douglas Pike, Smithfield, RI, US 02917

Main Administrative Office 910 Douglas Pike, Smithfield, RI, US 02917, (401)459-6000

Mail Address 910 Douglas Pike, Smithfield, RI, US 02917

Primary Location of Books and Records 910 Douglas Pike, Smithfield, RI, US 02917, (401)459-6000

Internet Web Site Address http://www.nhpri.org/

Statutory Statement Contact Joanne Roux, jroux@nhpri.org, (401)459-6118, (401)459-6043

OFFICERS

Table with 2 columns: Name, Title. Includes Peter Marino (Chief Executive Officer), Frank Meaney (Chief Financial Officer), Francisco Trilla MD (Chief Medical Officer)

OTHERS

Peter Bancroft, Chairman; Brenda Dowlatshahi, Secretary; Jane Hayward, Vice Chairman; Peter Walsh, Treasurer

DIRECTORS OR TRUSTEES

Merrill Thomas, Raymond Joseph Lavoie Jr., Pablo Rodriguez MD, Peter Bancroft CPA, Peter Walsh, William Hochstrasser-Walsh, Michael Lichtenstein, Richard Besdine MD, Brenda Dowlatshahi, Christopher Little Esq., Jane Hayward, Doris De Los Santos, Jeanne LaChance #, Dennis Roy, Patricia Martinez, Peter Marino

State of Rhode Island, County of Providence 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.

(Signature) Peter Marino, (Printed Name) Peter Marino, 1. Chief Executive Officer, (Title)

(Signature) Frank Meaney, (Printed Name) Frank Meaney, 2. Chief Financial Officer, (Title)

(Signature) Francisco Trilla, MD, (Printed Name) Francisco Trilla, MD, 3. Chief Medical Officer, (Title)

Subscribed and sworn to before me this day of , 2017

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

Yes[X] No[]

(Notary Public Signature)

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	100,384,818		100,384,818	99,564,790
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....132,684,227), cash equivalents (\$.....1,158,817) and short-term investments (\$.....147,537,821)	281,380,866		281,380,866	208,139,474
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	14,075		14,075	4,117,478
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	381,779,759		381,779,759	311,821,742
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	721,816		721,816	657,918
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	9,745,840	1,688,119	8,057,721	15,705,901
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	174,462		174,462	1,292,994
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	821,030		821,030	
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	1,531,525		1,531,525	1,517,702
21. Furniture and equipment, including health care delivery assets (\$.....0)	969,297	969,297		
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$.....10,532,968) and other amounts receivable	12,818,974	2,286,006	10,532,968	13,199,574
25. Aggregate write-ins for other-than-invested assets	21,877,748	2,607,973	19,269,775	4,630,587
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	430,440,451	7,551,395	422,889,056	348,826,418
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	430,440,451	7,551,395	422,889,056	348,826,418
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Prepaid Premium Tax	8,933,605		8,933,605	4,533,436
2502. Prepaid Expenses	2,316,278	2,316,278		
2503. Receivable from State	10,336,170		10,336,170	97,151
2598. Summary of remaining write-ins for Line 25 from overflow page	291,695	291,695		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	21,877,748	2,607,973	19,269,775	4,630,587

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)	160,834,531		160,834,531	119,484,968
2. Accrued medical incentive pool and bonus amounts	6,644,197		6,644,197	4,017,508
3. Unpaid claims adjustment expenses	3,215,531		3,215,531	3,215,531
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	11,728,528		11,728,528	9,939,296
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	110,345,500		110,345,500	88,649,482
9. General expenses due or accrued	19,344,601		19,344,601	14,005,612
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others	3,519,664		3,519,664	1,849,295
13. Remittances and items not allocated				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities				3,268
18. Payable for securities lending				
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$.....0) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans	4,243,660		4,243,660	4,953,400
23. Aggregate write-ins for other liabilities (including \$.....0 current)	105,275		105,275	5,386
24. Total liabilities (Lines 1 to 23)	319,981,487		319,981,487	246,123,746
25. Aggregate write-ins for special surplus funds	X X X	X X X		
26. Common capital stock	X X X	X X X		
27. Preferred capital stock	X X X	X X X		
28. Gross paid in and contributed surplus	X X X	X X X		
29. Surplus notes	X X X	X X X		
30. Aggregate write-ins for other-than-special surplus funds	X X X	X X X		
31. Unassigned funds (surplus)	X X X	X X X	102,907,570	102,702,671
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0)	X X X	X X X		
32.2 .....0 shares preferred (value included in Line 27 \$.....0)	X X X	X X X		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	102,907,570	102,702,671
34. Total Liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	422,889,057	348,826,417
DETAILS OF WRITE-INS				
2301. Unclaimed Property Payable	6,153		6,153	5,386
2302. Security Deposit - Subleases	98,915		98,915	
2303. Other Liabilities	207		207	
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	105,275		105,275	5,386
2501.	X X X	X X X		
2502.	X X X	X X X		
2503.	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

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	X X X	1,809,828	1,655,850	2,231,981
2. Net premium income (including \$.....0 non-health premium income)	X X X	1,013,902,730	811,074,686	1,119,659,753
3. Change in unearned premium reserves and reserves for rate credits	X X X			
4. Fee-for-service (net of \$.....0 medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X	1,500,000	2,226,646	2,231,385
7. Aggregate write-ins for other non-health revenues	X X X		50	50
8. Total revenues (Lines 2 to 7)	X X X	1,015,402,730	813,301,382	1,121,891,188
Hospital and Medical:				
9. Hospital/medical benefits		434,548,757	331,865,113	469,484,465
10. Other professional services		197,477,218	161,014,915	217,374,997
11. Outside referrals		141,353,920	112,581,210	157,043,745
12. Emergency room and out-of-area		35,527,853	30,933,132	40,989,636
13. Prescription drugs		117,418,811	90,301,499	124,911,385
14. Aggregate write-ins for other hospital and medical		(14,557,616)	(20,780,019)	(30,876,656)
15. Incentive pool, withhold adjustments and bonus amounts		4,083,772	8,677,456	6,629,774
16. Subtotal (Lines 9 to 15)		915,852,715	714,593,306	985,557,346
Less:				
17. Net reinsurance recoveries		712,641	2,965,081	4,069,687
18. Total hospital and medical (Lines 16 minus 17)		915,140,074	711,628,225	981,487,659
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$.....13,323,910 cost containment expenses		23,023,713	18,968,957	27,159,852
21. General administrative expenses		77,196,826	67,532,515	93,717,742
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)				
23. Total underwriting deductions (Lines 18 through 22)		1,015,360,613	798,129,697	1,102,365,253
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	42,117	15,171,685	19,525,935
25. Net investment income earned		1,531,012	802,551	1,249,604
26. Net realized capital gains (losses) less capital gains tax of \$.....0		(69,802)	479,343	315,929
27. Net investment gains or (losses) (Lines 25 plus 26)		1,461,210	1,281,894	1,565,533
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....290,544)]		(290,544)	124,760	(1,358,596)
29. Aggregate write-ins for other income or expenses				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	1,212,783	16,578,339	19,732,872
31. Federal and foreign income taxes incurred	X X X			
32. Net income (loss) (Lines 30 minus 31)	X X X	1,212,783	16,578,339	19,732,872
DETAILS OF WRITE-INS				
0601. EOHHS Incentive Income	X X X	1,500,000	2,219,396	2,219,398
0602. Grant Revenue	X X X		7,250	11,987
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X	1,500,000	2,226,646	2,231,385
0701. Miscellaneous Income	X X X		50	50
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		50	50
1401. Stop Loss Recoveries from EOHHS		(7,703,496)	(10,901,639)	(15,953,307)
1402. Gain Shares due to EOHHS			2,880,783	
1403. CMS Cost Sharing Reduction Recoveries		(6,854,120)	(12,759,163)	(14,923,349)
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		(14,557,616)	(20,780,019)	(30,876,656)
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	102,702,672	85,556,050	85,556,049
34. Net income or (loss) from Line 32	1,212,783	16,578,339	19,732,872
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	179,552	188,354	274,551
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	(1,187,437)	(828,829)	(2,860,800)
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			
48. Net change in capital and surplus (Lines 34 to 47)	204,898	15,937,864	17,146,623
49. Capital and surplus end of reporting period (Line 33 plus 48)	102,907,570	101,493,914	102,702,672
DETAILS OF WRITE-INS			
4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

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	1,044,892,446	745,348,291	1,025,119,680
2. Net investment income	1,881,164	1,456,889	2,019,644
3. Miscellaneous income		2,226,696	2,231,435
4. TOTAL (Lines 1 to 3)	1,046,773,610	749,031,876	1,029,370,759
5. Benefit and loss related payments	868,173,849	701,501,254	944,818,629
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	96,702,864	88,522,233	120,002,733
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)			
10. TOTAL (Lines 5 through 9)	964,876,713	790,023,487	1,064,821,362
11. Net cash from operations (Line 4 minus Line 10)	81,896,897	(40,991,611)	(35,450,603)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	27,755,523	42,794,910	56,436,308
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds	4,100,135	210	229
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	31,855,658	42,795,120	56,436,537
13. Cost of investments acquired (long-term only):			
13.1 Bonds	28,879,436	44,543,567	58,016,800
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	414	2,989	4,117,496
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	28,879,850	44,546,556	62,134,296
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)	2,975,808	(1,751,436)	(5,697,759)
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)	(11,631,311)	(8,705,644)	(1,997,774)
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(11,631,311)	(8,705,644)	(1,997,774)
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)	73,241,394	(51,448,691)	(43,146,136)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	208,139,475	251,285,611	251,285,611
19.2 End of period (Line 18 plus Line 19.1)	281,380,869	199,836,920	208,139,475

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	192,678	13,810	595						178,273	
2. First Quarter	200,186	16,632	705						182,849	
3. Second Quarter	204,494	16,368	728						187,398	
4. Third Quarter	199,799	16,857	767						182,175	
5. Current Year										
6. Current Year Member Months	1,809,828	144,839	6,477						1,658,512	
Total Member Ambulatory Encounters for Period:										
7. Physician	6,406,600	239,201	7,674						6,159,725	
8. Non-Physician	875,546	51,028	1,357						823,161	
9. Total	7,282,146	290,229	9,031						6,982,886	
10. Hospital Patient Days Incurred	1,059,523	4,289	70						1,055,164	
11. Number of Inpatient Admissions	65,476	904	23						64,549	
12. Health Premiums Written (a)	1,015,629,289	36,166,862	2,664,756						976,797,671	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	1,015,629,289	36,166,862	2,664,756						976,797,671	
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	870,005,023	23,049,265	975,419						845,980,339	
18. Amount Incurred for Provision of Health Care Services	915,852,715	23,214,281	1,003,657						891,634,777	

(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
0199999 Individually Listed Claims Unpaid						
0299999 Aggregate Accounts Not Individually Listed - Uncovered						
0399999 Aggregate Accounts Not Individually Listed - Covered	13,709,049	1,581,573	295,248	418,436	1,600,582	17,604,888
0499999 Subtotals	13,709,049	1,581,573	295,248	418,436	1,600,582	17,604,888
0599999 Unreported claims and other claim reserves						143,229,643
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						160,834,531
0899999 Accrued Medical Incentive Pool And Bonus Amounts						6,644,197

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical)	4,401,057	19,796,679	523,273	8,139,359	4,924,330	8,635,125
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	95,943,337	747,694,225	3,316,509	148,855,390	99,259,846	110,849,843
8. Other health						
9. Health subtotal (Lines 1 to 8)	100,344,394	767,490,904	3,839,782	156,994,749	104,184,176	119,484,968
10. Healthcare receivables (a)	(1,604,776)	13,303,076			(1,604,776)	13,569,741
11. Other non-health						
12. Medical incentive pools and bonus amounts	1,457,084		2,560,424	4,083,772	4,017,508	4,017,508
13. Totals (Lines 9 - 10 + 11 + 12)	103,406,254	754,187,828	6,400,206	161,078,521	109,806,460	109,932,735

(a) Excludes \$.....1,120,673 loans or advances to providers not yet expensed.

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Neighborhood Health Plan of Rhode Island (the "Company" or "Neighborhood") have been prepared in conformity with accounting practices prescribed or permitted by the state of Rhode Island for determining and reporting the financial conditions and results of operations of an insurance company for determining its solvency under Rhode Island Insurance law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual, ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Rhode Island.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Rhode Island is shown below:

		SSAP #	F/S Page	F/S Line #	2017	2016
NET INCOME						
(1)	State basis (Page 4, Line 32, Columns 2 & 3)				1,212,783	19,732,872
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP:					
(201)						
(299)	Total				0	0
(3)	State Permitted Practices that increase/(decrease) NAIC SAP:					
(301)						
(399)	Total				0	0
(4)	NAIC SAP (1-2-3=4)				1,212,783	19,732,872
SURPLUS						
(5)	State basis (Page 3, Line 33, Columns 3 & 4)				102,907,570	102,702,671
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP:					
(601)						
(699)	Total				0	0
(7)	State Permitted Practices that increase/(decrease) NAIC SAP:					
(701)						
(799)	Total				0	0
(8)	NAIC SAP (5-6-7=8)				102,907,570	102,702,671

Notes to Financial Statement

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

No Material Change

C. Accounting Policy

(1) – (5) – No Material Change

(6) The Company had no loan-backed securities.

(7) – (13) - No Material Change

D. Going Concern

None

2. Accounting Changes and Corrections of Errors

No Material Change

3. Business Combinations and Goodwill

No Material Change

4. Discontinued Operations

No Material Change

5. Investments

A. Mortgage Loans – No Material Change

B. Debt Restructuring – No Material Change

C. Reverse Mortgages – No Material Change

D. Loan-Backed Securities – None

E. Repurchase Agreements

(1) Policy for requiring collateral or other security – No Material Change

(2) Carrying amount and classification of both those assets and associated liabilities – No Material Change

(3) Collateral accepted that it is permitted by contract or custom to sell or repledge:

a. Aggregate amount of contractually obligated open collateral positions – No Material Change

b. Fair value of that collateral and of the portion of that collateral that it has sold or repledged – None

c. Information about the sources and uses of that collateral – No Material Change

(4) Aggregate value of the reinvested collateral which is “one-line” reported and the aggregate reinvested collateral which is reported in the investment schedules – No Material Change

(5) Reinvestment of the cash collateral and any securities which it or its agent receives as collateral that can be sold or repledged – No Material Change

Notes to Financial Statement

(6) Collateral accepted that it is not permitted by contract or custom to sell or repledge – No Material Change

(7) Collateral for transactions that extend beyond one year from the reporting date – No Material Change

F. Real Estate – No Material Change

G. Low-income housing tax credits (LIHTC) – No Material Change

H. Restricted Assets – No Material Change

I. Working Capital Finance Investments

(2) Aggregate Book/Adjusted Carrying Value – None

(3) Events of Default – None

J. Offsetting and Netting of Assets and Liabilities – None

K. Structured Notes – No Material Change

L. 5* Securities – No Material Change

M. Short Sales – No Material Change

N. Prepayment Penalty and Acceleration Fees – No Material Change

6. Joint Ventures, Partnerships and Limited Liability Companies

No Material Change

7. Investment Income

No Material Change

8. Derivative Instruments

No Material Change

9. Income Taxes

No Material Change

10. Information Concerning Parent, Subsidiaries and Affiliates

A, B, & C - No Material Change

D. Amounts Due from or to Related Parties - No Material Change

E. Guarantees - No Material Change

F. Material management contracts – No Material Change

G. Common Control - No Material Change

H. Deductions in Value - No Material Change

I. SCA that exceed 10% of Admitted Assets - No Material Change

J. Investments in SCAs - No Material Change

Notes to Financial Statement

K. Foreign Subsidiary - No Material Change

L. Downstream Noninsurance Holding Company - No Material Change

M. Investments in SCAs – No Material Change

N. Investments in SCAs – No Material Change

11. Debt

A. Debt - No Material Change

B. FHLB (Federal Home Loan Bank) Agreements - None

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits, Compensated Absences and other Postretirement Benefit Plans.

A. Defined Benefit Plan

(1) Change in benefit obligation – No Material Change

(2) Change in plan assets- No Material Change

(3) Funded status - No Material Change

(4) Components of net periodic benefit cost - None

(5) The amount included in unassigned funds (surplus) for the period arising from a change in the additional minimum pension liability recognized - No Material Change

(6) Amounts in unassigned funds (surplus expected to be recognized in the next fiscal year as components of net periodic benefit cost - No Material Change

(7) Amounts in unassigned funds (surplus) that have not been recognized as components of net periodic benefit cost - No Material Change

(8) Weighted-average assumptions used to determine net period benefit cost - No Material Change

(9) The amount of accumulated benefit obligation for defined benefit pension plans - No Material Change

(10) – (11) The defined benefit pension plan asset allocation as of the measurement date, and the target asset allocation, presented as a percentage of total plan assets - No Material Change

(12) Estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years– No Material Change

(13) Regulatory contribution requirements – No Material Change

(14) – (21) – No Material Change.

B. Investment Policies and Strategies – No Material Change

C. Plan Assets – No Material Change

D. Long-term Rate-of-return-on-assets Assumption - No Material Change

E. Defined Contribution Plans – No Material Change

F. Multi-Employer Plan – No Material Change

Notes to Financial Statement

G. Consolidated/Holding Company Plans – No Material Change

H. Post-Employment Benefits and Compensated Absences – No Material Change

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – No Material Change

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) – (11) - No Material Change

(12) – (13) - No Material Change

14. Contingencies

No Material Change

15. Leases

A. Lessee Operating Leases - No Material Change

B. (1) Lessor Leases – No Material Change

(2) Leveraged Leases - No Material Change

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

No Material Change

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.

A. Transfers of Receivables reported as Sales – No Material Change

B. Transfer and Servicing of Financial Assets

(1) Description of loaned securities – No Material Change

(2) Servicing Assets and Liabilities

a. Risks inherent in servicing assets and servicing liabilities – None

b. Amount of contractually specified servicing fees, late fees and ancillary fees earned for each period – None

c. Assumptions used to estimate the fair value – None

(3) Servicing assets and servicing liabilities are subsequently measured at fair value – No Material Change

(4) For securitizations, asset-backed financing arrangements, and similar transfers accounted for as sales when the transferor has continuing involvement (as defined in the glossary of the Accounting Practices & Procedures Manual) with the transferred financial assets:

a. Each income statement presented – None

b. Each statement of financial position presented, regardless of when the transfer occurred – None

Notes to Financial Statement

(5) Transfers of financial assets accounted for as secured borrowing value – No Material Change

(6) Transfers of receivables with recourse – No Material Change

(7) Securities underlying repurchase and reverse repurchase agreements – No Material Change

C. Wash Sales – None

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

No Material Change

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

No Material Change

20. Fair Value Measurements

A. Fair Market Value at Reporting Date

(1) Fair Value Measurements at reporting date: During the year of 2016, Neighborhood did not report any assets or liabilities at fair value by using Level 1, level 2 and level 3 measures after initial recognition. Level 1 measurement is the unadjusted quoted price for identical assets or liabilities in active markets accessible at the measurement date, Level 2 measurement requires significant other observable inputs, and Level 3 requires significant unobservable inputs. Neighborhood's investments, comprised principally of bonds, are recorded at amortized cost.

(2) Fair Value Measurements in (Level 3) of the Fair Value - None

(3) The Company's policy for determining when transfers between levels are recognized is determined at the end of the reporting period.

(4) The valuation techniques and inputs used in the fair value measurement Level 2: The fair value of most securities is priced automatically through Neighborhood's primary pricing vendor: Interactive Data Pricing and Reference Data, Inc., and other industry leading pricing sources like Bloomberg and PricingDirect Inc. In the event an automated price is not available from pricing vendors, other pricing sources, like investment managers and brokers, are used to ensure accurate and timely pricing.

The valuation techniques and inputs used in the fair value measurement Level 3 - Not Applicable.

(5) Derivative assets and liabilities- None

B. Fair Value Information under SSAP No. 100 combined with Fair Value information Under Other Account Pronouncements – None

C. Aggregate Fair Value of All Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$100,231,594	\$100,384,818		\$100,231,594		
Short-term Investments	\$147,529,144	\$147,537,821		\$147,529,144		
Cash Equivalents	\$1,158,828	\$1,158,817		\$1,158,828		

Notes to Financial Statement

D. Not Practicable to Estimate Fair Value - None

21. Other Items

- A. Unusual or Infrequent Items – No Material Change
- B. Troubled Debt Restructuring – No Material Change
- C. Other Disclosures – No Material Change
- D. Business Interruption Insurance Recoveries - No Material Change
- E. State Transferable and Nontransferable Tax Credits - No Material Change
- F. Subprime Related Risk Exposure – No Material Change
- G. Retained Assets - No Material Change
- H. Insurance Linked Securities – No Material Change

22. Events Subsequent

Type I. – Recognized Subsequent Events

No Material Change

Type II. – Nonrecognized Subsequent Events

No Material Change

23. Reinsurance

No Material Change

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. Estimates accrued retrospective premium adjustments – No Material Change
- B. Accrued retrospective premium – No Material Change.
- C. Net premiums written subject to retrospective rating features – No Material Change.
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act – No Material Change
- E. Risk-Sharing Provisions of the Affordable Care Act (ACA)
 - (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? Yes

Notes to Financial Statement

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

	AMOUNT
a. Permanent ACA Risk Adjustment Program	
Assets	
1.Premium adjustments receivable due to ACA Risk Adjustment	0
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	19,511
3.Premium adjustments payable due to ACA Risk Adjustment	9,214,031
Operations (Revenue & Expense)	
4.Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	(9,539,161)
5.Reported in expenses as ACA risk adjustment user fees (incurred/paid)	3,946
b. Transitional ACA Reinsurance Program	
Assets	
1.Amounts recoverable for claims paid due to ACA Reinsurance	34,518
2.Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	0
3.Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	0
Liabilities	
4.Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	0
5.Ceded reinsurance premiums payable due to ACA Reinsurance	0
6.Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	0
Operations (Revenue & Expense)	
7.Ceded reinsurance premiums due to ACA Reinsurance	28,287
8.Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	(173,053)
9.ACA Reinsurance contributions – not reported as ceded premium	9,524
c. Temporary ACA Risk Corridors Program	
Assets	
1.Accrued retrospective premium due to ACA Risk Corridors	0
Liabilities	
2.Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	2,514,497
Operations (Revenue & Expense)	
3.Effect of ACA Risk Corridors on net premium income (paid/received)	70,863
4.Effect of ACA Risk Corridors on change in reserves for rate credits	0

Notes to Financial Statement

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

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Ref	Cumulative Balance from Prior Years (Col 1 - 3 +7)	Cumulative Balance from Prior Years (Col 2 - 4 +8)
					5	6	7	8		9	10
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)			Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	A	\$0	\$0
2. Premium adjustments payable	\$0	\$7,227,174	\$0	\$8,713,806	\$0	\$(1,486,632)	\$0	\$2,315,513	B	\$0	\$828,881
3. Subtotal ACA Permanent Risk Adjustment Program	\$0	\$7,227,174	\$0	\$8,713,806	\$0	\$(1,486,632)	\$0	\$2,315,513		\$0	\$828,881
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$625,366	\$0	\$1,695,583	\$0	\$(1,070,217)	\$0	\$1,104,735	\$0	C	\$34,518	\$0
2. Amounts recoverable for claims unpaid (contra liability)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	D	\$0	\$0
3. Amounts receivable relating to uninsured plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	E	\$0	\$0
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	F	\$0	\$0
5. Ceded reinsurance premiums payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	G	\$0	\$0
6. Liability for amounts held under uninsured plans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	H	\$0	\$0
7. Subtotal ACA Transitional Reinsurance Program	\$625,366	\$0	\$1,695,583	\$0	\$(1,070,217)	\$0	\$1,104,735	\$0		\$34,518	\$0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,514,497	I	\$0	\$2,514,497
2. Reserve for rate credits or policy experience rating refunds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	J	\$0	\$0
3. Subtotal ACA Risk Corridors Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
d. Total for ACA Risk Sharing Provisions	\$625,366	\$7,227,174	\$1,695,583	\$8,713,806	\$(1,070,217)	\$(1,486,632)	\$1,104,735	\$4,830,010		\$34,518	\$3,343,378

Explanations of Adjustments

A
B. Adjusted amount based on further development.
C. Adjusted amount based on further claim development.
D
E
F
G
H
I. Payable due for Risk Corridor.
J

Notes to Financial Statement

(4) Roll Forward of ACA Risk Corridor Asset and Liability Balances

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	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
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
2014 Program Benefit Year Risk Corridor	0	0	0	0	0	0	0	0	A,B	0	0
2015 Program Benefit Year Risk Corridor	0	0	0	0	0	0	0	0	C,D	0	0
2016 Program Benefit Year Risk Corridor	0	0	0	0	0	0	0	2,514,497	E,F	0	2,514,497

Explanations of Adjustments

A
B
C Payable due for Risk Corridor.
D
E
F

(5) ACA Risk Corridor Receivable:

Program Benefit Year	2014	2015	2016
Estimated amount to be filed or final amounts filed with federal agency	0	0	0
Amounts impaired or amounts not accrued for other reasons (not withstanding collectability concerns)	0	0	0
Amounts received from federal agency	0	0	0
Asset balance gross of nonadmission	0	0	0
Nonadmitted amounts	0	0	0
Net admitted assets	0	0	0

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves as of December 31, 2016 were \$126,718,007. As of September 30, 2017, \$105,017,009 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$6,400,206 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$15,300,792 favorable prior-year development since December 31, 2016 to September 30, 2017. The decrease 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.

26. Intercompany Pooling Arrangements

No Material Change

27. Structured Settlements

No Material Change

28. Health Care Receivables

No Material Change

29. Participating Policies

No Material Change

30. Premium Deficiency Reserves

No Material Change

31. Anticipated Salvage and Subrogation

No Material Change

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[] N/A[X]

- 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? Yes[] No[X]
If yes, complete Schedule Y, Parts 1 and 1A.
- 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 the 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? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
- 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. 12/31/2013
- 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). 11/21/2014
- 6.4 By what department or departments?
Rhode Island Department of Business Regulation, Insurance Division
- 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[] No[X] 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 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
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 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

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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
 14.2 If yes, please complete the following:

Yes No

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
 If no, attach a description with this statement.

Yes No
 Yes No N/A

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.3 Total payable for securities lending reported on the liability page

\$ 0
 \$ 0
 \$ 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?
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes No

1 Name of Custodian(s)	2 Custodian Address
.....

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)
Comerica Bank	411 West Lafayette, Detroit, MI 48226	Not all provisions related to safeguards and controls were included in Custodial Agreement
RBS Citizens Bank	One Citizens Plaza, Providence, RI 02903	Not all provisions related to safeguards and controls were included in Custodial Agreement

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
 17.4 If yes, give full and complete information relating thereto:

Yes No

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

17.5 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
Income Research & Management	U
RBS Citizens Bank - Private Wealth	U

17.5097 For those firms/individuals listed in the table for Question 17.5, 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

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

GENERAL INTERROGATORIES (Continued)

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
104863	Income Research & Management	DRMSV1Q0EKMEXLAU1P80	SEC	DS
.....	RBS Citizens Bank - Private Wealth .....	.....	Inv Mgr, not a registered Investment Advisor	NO

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

PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	..... 91.573%
1.2 A&H cost containment percent	..... 1.314%
1.3 A&H expense percent excluding cost containment expenses	..... 8.571%
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 balance of the 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 Reinsurer Rating
Accident and Health - Non-affiliates								
27855	36-2781080	01/01/2017	ZURICH AMER INS CO OF IL	IL	SSL/A/I	Authorized		

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								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	N								
5. California (CA)	N								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	N								
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	N								
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	N								
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	L	38,831,618		976,797,671				1,015,629,289	
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	N								
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	N								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	X X X								
59. Subtotal	X X X	38,831,618		976,797,671				1,015,629,289	
60. Reporting entity contributions for Employee Benefit Plans	X X X								
61. Total (Direct Business)	(a) 1	38,831,618		976,797,671				1,015,629,289	
DETAILS OF WRITE-INS									
58001.	X X X								
58002.	X X X								
58003.	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

(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.

15 Schedule Y - Part 1 NONE

16 Schedule Y Part 1A - Detail of Insurance Holding Company System NONE

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?

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95402201736500003

2017

Document Code: 365

OVERFLOW PAGE FOR WRITE-INS**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1197. Summary of remaining write-ins for Line 11 (Lines 1104 through 1196)				
2504. Deposits	91,504	91,504		
2505. Other Receivables	200,191	200,191		
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596)	291,695	291,695		

STATEMENT AS OF **September 30, 2017** OF THE **Neighborhood Health Plan of Rhode Island**
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		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
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		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
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		
9. Total foreign exchange change in book value/recorded investment		
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)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

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		
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 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)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

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	99,564,790	98,261,733
2. Cost of bonds and stocks acquired	28,879,436	58,016,800
3. Accrual of discount	74,098	60,628
4. Unrealized valuation increase (decrease)	179,553	274,551
5. Total gain (loss) on disposals	(69,388)	315,700
6. Deduct consideration for bonds and stocks disposed of	27,755,523	56,436,308
7. Deduct amortization of premium	488,148	928,314
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)	100,384,818	99,564,790
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	100,384,818	99,564,790

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**

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	248,477,038	58,968,801	58,227,602	(136,781)	247,721,751	248,477,038	249,081,457	243,230,402
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)					99,879			
6. NAIC 6 (a)								
7. Total Bonds	248,477,038	58,968,801	58,227,602	(136,781)	247,821,630	248,477,038	249,081,457	243,230,402
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	248,477,038	58,968,801	58,227,602	(136,781)	247,821,630	248,477,038	249,081,457	243,230,402

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....148,696,639; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

QS102

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. Totals	147,537,821	X X X	147,586,169	556,516	232,386

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	143,517,635	146,961,135
2. Cost of short-term investments acquired	144,250,970	152,457,441
3. Accrual of discount	38,734	22,685
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	(365)	210
6. Deduct consideration received on disposals	140,183,703	155,859,111
7. Deduct amortization of premium	85,449	64,725
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)	147,537,821	143,517,635
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	147,537,821	143,517,635

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SCHEDULE E - Verification
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	147,976	.....
2.	Cost of cash equivalents acquired	2,966,104	620,568
3.	Accrual of discount	802	83
4.	Unrealized valuation increase (decrease) .....	.....	.....
5.	Total gain (loss) on disposals	(50)	18
6.	Deduct consideration received on disposals	1,956,015	472,693
7.	Deduct amortization of premium .....	.....	.....
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)	1,158,817	147,976
11.	Deduct total nonadmitted amounts .....	.....	.....
12.	Statement value at end of current period (Line 10 minus Line 11)	1,158,817	147,976

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 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. Governments									
912828L3	UNITED STATES TREASURY		09/29/2017	NOMURA SECURITIES/FIXED INCOME	X X X	124,520	125,091	97	1
912828V1	UNITED STATES TREASURY		09/18/2017	Not Provided	X X X	99,512	100,000	15	1
912828R77	UNITED STATES TREASURY		07/06/2017	Unknown	X X X	246,084	250,000	348	1
912828TV2	UNITED STATES TREASURY		07/31/2017	Unknown	X X X	99,734	100,000	316	1
912828V49	UNITED STATES TREASURY		07/31/2017	VARIOUS	X X X	428,212	433,624	75	1
912828V98	UNITED STATES TREASURY		09/28/2017	VARIOUS	X X X	1,039,115	1,036,000	1,883	1
912828VF4	UNITED STATES TREASURY		07/31/2017	Unknown	X X X	99,742	100,000	233	1
912828WD8	UNITED STATES TREASURY		07/31/2017	Unknown	X X X	99,977	100,000	316	1
912828WR7	UNITED STATES TREASURY		09/18/2017	Not Provided	X X X	101,617	100,000	468	1
912828XR6	UNITED STATES TREASURY		09/28/2017	VARIOUS	X X X	3,129,338	3,144,000	13,041	1
0599999	Subtotal - Bonds - U.S. Governments				X X X	5,467,850	5,488,715	16,792	X X X
Bonds - U.S. Special Revenue, Special Assessment									
3137G1BW6	FH 17SC02 2A1 - CMO		07/19/2017	MLPFS INC FIXED INCOME	X X X	239,018	234,000	546	1
3199999	Subtotal - Bonds - U.S. Special Revenue, Special Assessment				X X X	239,018	234,000	546	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
12625KAD7	COMM 13CRE8 A4 - CMBS		08/22/2017	Amherst Securities Group LLC	X X X	67,790	65,000	144	1FM
45866FAE4	INTERCONTINENTAL EXCHANGE INC		08/10/2017	MLPFS INC FIXED INCOME	X X X	379,130	380,000		1FE
742718EU9	PROCTER & GAMBLE CO		08/09/2017	CHASE SECURITIES	X X X	362,470	363,000		1FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	809,390	808,000	144	X X X
8399997	Subtotal - Bonds - Part 3				X X X	6,516,259	6,530,715	17,482	X X X
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
8399999	Subtotal - Bonds				X X X	6,516,259	6,530,715	17,482	X X X
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
9899999	Subtotal - Preferred and Common Stocks				X X X	X X X	X X X	X X X	X X X
9999999	Total - Bonds, Preferred and Common Stocks				X X X	6,516,259	X X X	17,482	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

QE04

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks 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	For e i g n	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 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 Designation or Market Indicator (a)
Bonds - U.S. Governments																					
83162CRN5	SBAP 0820A A - ABS		08/01/2017	Paydown	X X X	27,345	27,345	30,795	30,539		(3,194)		(3,194)		27,345				854	01/01/2028	1
83162CTB9	SBAP 1020B A - ABS		09/01/2017	Paydown	X X X	12,947	12,947	13,900	13,917		(970)		(970)		12,947				305	02/01/2030	1
83162CUB7	SBAP 1120F A - ABS		09/26/2017	VARIOUS	X X X	117,766	112,292	116,260	116,214		(419)		(419)		115,795		1,972	1,972	3,730	06/01/2031	1
83162CUR2	SBAP 1220C A - ABS		09/01/2017	Paydown	X X X	64,684	64,684	63,304	63,429		1,254		1,254		64,684				1,083	03/01/2032	1
83162CVA8	SBAP 1220I A - ABS		09/01/2017	Paydown	X X X	13,903	13,903	13,422	13,457		446		446		13,903				209	09/01/2032	1
83162CVP5	SBAP 1320F A - ABS		07/01/2017	Paydown	X X X														(29)	06/01/2033	1
83162CVR1	SBAP 1320G A - ABS		08/01/2017	Paydown	X X X	20,071	20,071	20,490	20,456		(385)		(385)		20,071				365	07/01/2033	1
83162CWH2	SBAP 1420F A - ABS		07/01/2017	Paydown	X X X														(37)	06/01/2034	1
83162CWK5	SBAP 1420G A - ABS		08/01/2017	Paydown	X X X	16,636	16,636	16,636	16,636						16,636				263	07/01/2034	1
83162CWN9	SBAP 1420I A - ABS		09/01/2017	Paydown	X X X	17,729	17,729	17,739	17,737		(9)		(9)		17,729				309	09/01/2034	1
83162CXD0	SBAP 1520G G - ABS		07/01/2017	Paydown	X X X	31,342	31,342	31,342	31,342						31,342				484	07/01/2035	1
83162CYH0	SBAP 1720B CTF - ABS		08/01/2017	Paydown	X X X	4,448	4,448	4,448	4,448						4,448					02/01/2037	1
9128282G4	UNITED STATES TREASURY		09/28/2017	CITIGROUP GLOBAL MARKETS INC.	X X X	389,713	394,000	387,736	387,792		1,381		1,381		389,174		539	539	3,130	09/15/2019	1
912828C99	UNITED STATES TREASURY		09/29/2017	MLPFS INC FIXED INCOME	X X X	124,928	124,322	122,032	124,001	(3,414)	(404)		(3,818)		120,184		4,744	4,744	148	04/15/2019	1
912828JE1	UNITED STATES TREASURY		08/01/2017	MORGAN STANLEY DEAN WITTER	X X X	366,540	360,901	370,912	368,305	(10,319)	(4,485)		(14,804)		353,502		13,039	13,039	5,158	07/15/2018	1
912828M98	UNITED STATES TREASURY		09/28/2017	RBC Capital Markets Corp	X X X	24,979	25,000	25,518	25,429		(80)		(80)		25,349		(370)	(370)	337	11/30/2020	1
912828Q37	UNITED STATES TREASURY		09/01/2017	VARIOUS	X X X	771,817	782,000	789,017	788,322		(886)		(886)		787,437		(15,620)	(15,620)	8,423	03/31/2021	1
0599999	Subtotal - Bonds - U.S. Governments				X X X	2,004,849	2,007,621	2,023,550	2,017,578	(13,733)	(7,750)		(21,483)		2,000,545		4,304	4,304	24,736	X X X	X X X
Bonds - U.S. Special Revenue, Special Assessment																					
04057PJL3	ARIZONA SCH FACS BRD CTFS PARTN		09/01/2017	Maturity @ 100.0	X X X	607,000	607,000	607,000	607,000						607,000				8,947	09/01/2017	1FE
31300M7L1	FH 849899 - RMBS		09/01/2017	Paydown	X X X	19,549	19,549	20,319	20,377		(828)		(828)		19,549				300	06/01/2044	1
31347AJ47	FH 840283 - RMBS		09/01/2017	Paydown	X X X	26,438	26,438	27,033	27,033		(595)		(595)		26,438				20	04/01/2046	1
31356AHUV0	FN 14M01 AQ2 - CMBS		09/01/2017	Paydown	X X X	597	597	612	603		(6)		(6)		597				8	11/25/2018	1
313660Y5E	FEDERAL NATIONAL MORTGAGE ASSOCIATION		09/01/2017	Maturity @ 100.0	X X X	200,000	200,000	201,577	200,000		(1,034)		(1,034)		200,000				2,000	08/28/2017	1
31374JYX6	FHR 3977C AD - CMO/RMBS		09/01/2017	Paydown	X X X	4,714	4,714	4,886	4,797		(83)		(83)		4,714		0	0	86	09/15/2029	1
3137EADJ5	FREDDIE MAC		07/28/2017	Maturity @ 100.0	X X X	200,000	200,000	200,960	200,218		(218)		(218)		200,000				2,000	07/28/2017	1FE
3137G1BW6	FH 17SC02 2A1 - CMO		09/01/2017	Paydown	X X X	12,708	12,708	12,981	12,981		(273)		(273)		12,708				17	05/25/2047	1
3138ETM45	FN AL8478 - RMBS		09/01/2017	Paydown	X X X	20,193	20,193	20,987	21,034		(841)		(841)		20,193				302	09/01/2044	1
3138ETND4	FN AL8487 - RMBS		09/01/2017	Paydown	X X X	23,563	23,563	24,235	24,292		(729)		(729)		23,563		0	0	372	04/01/2046	1
3138Y7F98	FN AX5591 - RMBS		09/01/2017	Paydown	X X X	29,957	29,957	31,121	31,147		(1,189)		(1,189)		29,957				568	01/01/2045	1
31397MTY3	FNR 0881A LK - CMO/RMBS		09/01/2017	Paydown	X X X	28,228	28,228	30,746	28,931		(704)		(704)		28,228				910	09/25/2023	1
3199999	Subtotal - Bonds - U.S. Special Revenue, Special Assessment				X X X	1,172,948	1,172,948	1,182,457	1,138,399	(6,499)			(6,499)		1,172,948		0	0	15,530	X X X	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
02377BAB2	AMERICAN AIRLINES INC		09/22/2017	Paydown	X X X	18,687	18,687	18,695	18,694		(7)		(7)		18,687		0	0	345	03/22/2029	1FE
084664CK5	BERKSHIRE HATHAWAY FINANCE CORP		07/28/2017	Wells Fargo	X X X	372,574	375,000	374,636	374,681		70		70		374,751		(2,177)	(2,177)	4,685	08/15/2019	1FE
12623SAB6	COMM 12CRE5 A2 - CMBS		09/01/2017	Paydown	X X X	54,277	54,277	55,634	54,524		(248)		(248)		54,277		0	0	539	12/12/2045	1FM
14912L4E8	CATERPILLAR FINANCIAL SERVICES CORPORATI		07/28/2017	Wells Fargo	X X X	428,971	396,000	497,539	439,847		(11,832)		(11,832)		428,015		956	956	27,213	02/15/2019	1FE
17305EDY8	CCIT 07A8 A8 - ABS		09/20/2017	VARIOUS	X X X	801,000	801,000	902,379	825,572		(24,572)		(24,572)		801,000				45,257	09/20/2019	1FE
20173TAE5	CSFB 07C4 A4 - CMBS		08/01/2017	Paydown	X X X	29,468	29,468	31,688	29,907		(439)		(439)		29,468				1,292	09/15/2039	1FM
202795HS2	COMMONWEALTH EDISON CO		09/15/2017	Maturity @ 100.0	X X X	710,000	710,000	820,436	733,796		(23,796)		(23,796)		710,000				43,665	09/15/2017	1FE
24736XAA6	DELTA AIR LINES INC		07/30/2017	Paydown	X X X	5,720	5,720	5,720	5,720						5,720				106	01/30/2029	1FE
34530TAE4	FORDL 15A A4 - ABS		09/18/2017	Paydown	X X X	62,791	62,791	62,785	62,789		2		2		62,791				529	08/15/2018	1FE
34530YAD5	FORDO 15C A3 - ABS		09/15/2017	Paydown	X X X	124,456	124,456	124,431	124,444		11		11		124,456				1,042	02/15/2020	1FE
36192KAT4	GSM5 12GCJ7 A4 - CMBS		09/01/2017	Paydown	X X X	7,638	7,638	8,142	6,544		(479)		(479)		7,638		0	0	125	05/12/2045	1FM
46639EAB7	JPMCC 12LC9 A2 - CMBS		09/01/2017	Paydown	X X X	31,472	31,472	32,259	31,580		(108)		(108)		31,472				408	12/17/2047	1FM
68389XAC9	ORACLE CORP		07/28/2017	HSBC SECURITIES INC.	X X X	714,091	694,000	772,887	730,309		(16,238)		(16,238)		714,071		20	20	31,702	04/15/2018	1FE
74052BAAS	PREMIER HEALTH PARTNERS		09/28/2017	RAYMOND JAMES/FI	X X X	503,866	526,000	526,000	526,000						526,000		(22,134)	(22,134)	13,355	11/15/2026	1FE
841215AA4	SOUTHAVEN COMBINED CYCLE GENERATION LLC		09/01/2017	Paydown	X X X	8,208	8,208	8,527	8,511		(303)		(303)		8,208				163	08/15/2033	1FE
84474YAA4	SOUTHWEST AIRLINES CO		09/01/2017	Paydown	X X X	14,522	14,522	16,607	15,637		(1,116)		(1,116)		14,522				447	02/01/2024	1FE
92938CAB3	WFRBS 13C15 A2 - CMBS		09/01/2017	Paydown	X X X	6,571	6,571	6,767	6,662		(91)		(91)		6,571		0	0	115	08/17/2046	1FM
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	3,894,310	3,865,808	4,265,131	3,995,217	(79,146)			(79,146)		3,917,646		(23,335)	(23,335)	170,986	X X X	X X X
8399997	Subtotal - Bonds - Part 4				X X X	7,072,107	7,046,378	7,471,137	7,151,194	(13,733)	(93,395)		(107,127)		7,091,138		(19,031)	(19,031)	211,252	X X X	X X X

QE05

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.								
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999	Subtotal - Bonds				XXX	7,072,107	7,046,378	7,471,137	7,151,194	(13,733)	(93,395)		(107,127)		7,091,138		(19,031)	(19,031)	211,252	XXX	XXX	
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9899999	Subtotal - Preferred and Common Stocks				XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks				XXX	7,072,107	XXX	7,471,137	7,151,194	(13,733)	(93,395)		(107,127)		7,091,138		(19,031)	(19,031)	211,252	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
Bank of America - Operating ..	Providence, RI					127,412,709	92,788,627	138,330,818	X X X
Bank of America - A/P	Providence, RI					(1,939,438)	(2,886,965)	(5,638,300)	X X X
Bank of America - Claims	Providence, RI					(685)	(685)	(685)	X X X
Fidelity	Covington, KY					1,350	1,350	1,350	X X X
Citizens	Providence, RI					164		130	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories ..		X X X	X X X			0	0	0	X X X
0199999 Totals - Open Depositories		X X X	X X X			125,474,100	89,902,327	132,693,313	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X			125,474,100	89,902,327	132,693,313	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X	(8,786)	(8,911)	(9,086)	X X X
0599999 Total Cash		X X X	X X X			125,465,314	89,893,416	132,684,227	X X X

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
Bonds - U.S. Governments - Issuer Obligations							
UNITED STATES TREASURY	R	09/28/2017	0.000	11/09/2017	1,158,817		61
0199999 Subtotals - Bonds - U.S. Governments - Issuer Obligations					1,158,817		61
0599999 Subtotals - Bonds - U.S. Governments					1,158,817		61
7799999 Subtotals - Bonds - Total Bonds - Issuer Obligations					1,158,817		61
7899999 Subtotals - Bonds - Total Bonds - Residential Mortgage-Backed Securities							
7999999 Subtotals - Bonds - Total Bonds - Commercial Mortgage-Backed Securities							
8099999 Subtotals - Bonds - Total Bonds - Other Loan-Backed and Structured Securities							
8199999 Subtotals - Bonds - SVO Identified Funds							
8399999 Subtotals - Bonds - Total Bonds					1,158,817		61
8499999 Sweep Accounts							
8599999 Other Cash Equivalents							
8699999 Total - Cash Equivalents					1,158,817		61

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