



ANNUAL STATEMENT

For the Year Ending DECEMBER 31, 2020

OF THE CONDITION AND AFFAIRS OF THE

Neighborhood Health Plan of Rhode Island

NAIC Group Code	0000 <small>(Current Period)</small>	0000 <small>(Prior Period)</small>	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					
Licensed as business type:	Life, Accident & Health[] Dental Service Corporation[] Other[]	Property/Casualty[] Vision Service Corporation[] Is HMO Federally Qualified? Yes[] No[X] N/A[]	Hospital, Medical & Dental Service or Indemnity[] Health Maintenance Organization[X]			
Incorporated/Organized	12/09/1993		Commenced Business	12/01/1994		
Statutory Home Office	910 Douglas Pike <small>(Street and Number)</small>		Smithfield, RI, US 02917 <small>(City or Town, State, Country and Zip Code)</small>			
Main Administrative Office	910 Douglas Pike <small>(Street and Number)</small>		Smithfield, RI, US 02917 <small>(City or Town, State, Country and Zip Code)</small>			
Mail Address	910 Douglas Pike <small>(Street and Number or P.O. Box)</small>		Smithfield, RI, US 02917 <small>(City or Town, State, Country and Zip Code)</small>			
Primary Location of Books and Records	Smithfield, RI, US 02917 <small>(City or Town, State, Country and Zip Code)</small>		910 Douglas Pike <small>(Street and Number)</small>			
Internet Website Address	http://www.nhpri.org/		(401)459-6000 <small>(Area Code) (Telephone Number)</small>			
Statutory Statement Contact	Mihaela Miha <small>(Name)</small>		(401)443-5931 <small>(Area Code)(Telephone Number)(Extension)</small>			
	mmiha@nhpri.org <small>(E-Mail Address)</small>		(401)459-6043 <small>(Fax Number)</small>			

OFFICERS

Name	Title
Peter Marino	Chief Executive Officer
Frank Meaney	Chief Financial Officer
Peter Lymm	Chief Operating Officer
Marylou Buyse	Chief Medical Officer

OTHERS

Peter Bancroft, Chairman	Jane Hayward, Vice Chairman
Brenda Dowlatshahi, Secretary	Merrill Thomas, Treasurer

DIRECTORS OR TRUSTEES

Merrill Thomas	Brenda Dowlatshahi
Raymond Joseph Lavoie Jr.	Lisa Ranglin
Pablo Rodriguez MD	Jane Hayward
Peter Bancroft CPA	Daniel Da Ponte
Jeanne LaChance	William Hochstrasser-Walsh
Dennis Roy	Patricia Martinez
Richard Besdine MD	Peter Marino
Gary Furtado	Keith Oliveira
Alison Croke	

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.

_____ <small>(Signature)</small> Peter Marino <small>(Printed Name)</small> 1. Chief Executive Officer <small>(Title)</small>	_____ <small>(Signature)</small> Frank Meaney <small>(Printed Name)</small> 2. Chief Financial Officer <small>(Title)</small>	_____ <small>(Signature)</small> Peter Lymm <small>(Printed Name)</small> 3. Chief Operating Officer <small>(Title)</small>
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Subscribed and sworn to before me this _____ day of _____, 2021

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 Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	95,353,045		95,353,045	92,241,588
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common Stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....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 (\$.....58,409,954, Schedule E Part 1), cash equivalents (\$.....9,655,946, Schedule E Part 2) and short-term investments (\$.....42,283,949, Schedule DA)	110,349,849		110,349,849	55,066,253
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities	338,938		338,938	
10. Securities Lending Reinvested Collateral Assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	206,041,832		206,041,832	147,307,841
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	715,499		715,499	627,150
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	116,260,216	3,543,549	112,716,667	96,403,773
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 (\$.....36,738,586) and contracts subject to redetermination (\$.....0)	36,738,586		36,738,586	43,373,452
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	128,505		128,505	998,316
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	19,723,877		19,723,877	30,349,096
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	9,061,931	5,478,311	3,583,620	1,902,546
21. Furniture and equipment, including health care delivery assets (\$.....0)	3,663,676	3,663,676		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$.....21,267,843) and other amounts receivable	21,292,843	25,000	21,267,843	31,904,252
25. Aggregate write-ins for other than invested assets	10,952,301	7,415,814	3,536,487	2,108,753
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	424,579,266	20,126,350	404,452,916	354,975,179
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	424,579,266	20,126,350	404,452,916	354,975,179
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 Expenses	2,540,835	2,540,835		
2502. Receivable from State	3,051,573		3,051,573	2,108,753
2503. Deposits	4,407,362	4,407,362		
2598. Summary of remaining write-ins for Line 25 from overflow page	952,531	467,617	484,914	
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	10,952,301	7,415,814	3,536,487	2,108,753

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded)	137,178,411		137,178,411	134,391,327
2. Accrued medical incentive pool and bonus amounts	2,014,448		2,014,448	3,257,572
3. Unpaid claims adjustment expenses	3,736,548		3,736,548	3,483,363
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act	2,499,996		2,499,996	5,553,922
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance	87,634,610		87,634,610	78,752,417
9. General expenses due or accrued	21,645,483		21,645,483	25,232,002
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others	27,075,581		27,075,581	2,602,618
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				69,017
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				
23. Aggregate write-ins for other liabilities (including \$.....0 current)	19,706		19,706	25,644
24. TOTAL Liabilities (Lines 1 to 23)	281,804,783		281,804,783	253,367,882
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	122,648,134	101,607,297
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	122,648,134	101,607,297
34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33)	X X X	X X X	404,452,917	354,975,179
DETAILS OF WRITE-INS				
2301. Unclaimed Property Payable	19,706		19,706	25,644
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	19,706		19,706	25,644
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		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	2,359,899	2,307,846
2. Net premium income (including \$.....0 non-health premium income)	X X X	1,390,623,327	1,342,355,294
3. Change in unearned premium reserves and reserve 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	1,675,484	3,575,089
7. Aggregate write-ins for other non-health revenues	X X X		
8. TOTAL Revenues (Lines 2 to 7)	X X X	1,392,298,811	1,345,930,383
Hospital and Medical:			
9. Hospital/medical benefits		458,116,656	495,079,740
10. Other professional services		292,013,723	304,107,954
11. Outside referrals		202,589,496	192,408,795
12. Emergency room and out-of-area		44,004,295	51,181,058
13. Prescription drugs		220,830,835	169,517,648
14. Aggregate write-ins for other hospital and medical		(5,166,595)	(6,120,199)
15. Incentive pool, withhold adjustments and bonus amounts		489,502	2,782,632
16. Subtotal (Lines 9 to 15)		1,212,877,912	1,208,957,628
Less:			
17. Net reinsurance recoveries		1,149,540	1,539,917
18. TOTAL Hospital and Medical (Lines 16 minus 17)		1,211,728,372	1,207,417,711
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$.....33,651,735 cost containment expenses		58,922,789	32,447,188
21. General administrative expenses		100,418,903	108,134,171
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)		1,371,070,064	1,347,999,070
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	21,228,747	(2,068,687)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,540,580	2,841,743
26. Net realized capital gains (losses) less capital gains tax of \$.....0		2,008,874	910,044
27. Net investment gains (losses) (Lines 25 plus 26)		3,549,454	3,751,787
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]			1,297,299
29. Aggregate write-ins for other income or expenses			670,200
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	24,778,201	3,650,599
31. Federal and foreign income taxes incurred	X X X		
32. Net income (loss) (Lines 30 minus 31)	X X X	24,778,201	3,650,599
DETAILS OF WRITE-INS			
0601. EOHHS Incentive Income	X X X	1,675,484	3,575,089
0602.	X X X		
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	1,675,484	3,575,089
0701.	X X X		
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 (Line 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401. Stop Loss Recoveries from EOHHS		(5,166,595)	(6,120,199)
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		(5,166,595)	(6,120,199)
2901. Penalty and Interest			670,200
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page			
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above)			670,200

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	101,607,297	101,566,289
34. Net income or (loss) from Line 32	24,778,201	3,650,599
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	74,556	(25,626)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(3,811,921)	(3,583,968)
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)	21,040,836	41,005
49. Capital and surplus end of reporting year (Line 33 plus 48)	122,648,133	101,607,294
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	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,384,599,052	1,257,152,269
2. Net investment income	1,757,418	3,248,113
3. Miscellaneous income	1,675,484	3,575,089
4. TOTAL (Lines 1 through 3)	1,388,031,954	1,263,975,471
5. Benefit and loss related payments	1,198,691,732	1,214,916,415
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	152,049,807	148,691,544
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)	1,350,741,539	1,363,607,959
11. Net cash from operations (Line 4 minus Line 10)	37,290,415	(99,632,488)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	40,732,988	47,194,661
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	27,229	67,565
12.7 Miscellaneous proceeds	1	75,450
12.8 TOTAL Investment proceeds (Lines 12.1 to 12.7)	40,760,218	47,337,676
13. Cost of investments acquired (long-term only):		
13.1 Bonds	42,093,433	34,737,131
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	407,955	
13.7 TOTAL Investments acquired (Lines 13.1 to 13.6)	42,501,388	34,737,131
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(1,741,170)	12,600,545
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)	19,734,349	(1,439,288)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	19,734,349	(1,439,288)
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)	55,283,594	(88,471,231)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	55,066,251	143,537,482
19.2 End of year (Line 18 plus Line 19.1)	110,349,845	55,066,251

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

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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,390,623,327	132,771,158						1,257,852,169		
2. Change in unearned premium reserves and reserve for rate credit										
3. Fee-for-service (net of \$.....0 medical expenses)										X X X
4. Risk revenue										X X X
5. Aggregate write-ins for other health care related revenues	1,675,484	1,619						1,673,865		X X X
6. Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7. TOTAL Revenues (Lines 1 to 6)	1,392,298,811	132,772,777						1,259,526,034		
8. Hospital/medical benefits	458,116,656	37,903,991						420,212,665		X X X
9. Other professional services	292,013,723	27,361,768						264,651,955		X X X
10. Outside referrals	202,589,496	7,365,371						195,224,125		X X X
11. Emergency room and out-of-area	44,004,295	2,923,253						41,081,042		X X X
12. Prescription drugs	220,830,835	22,921,774						197,909,061		X X X
13. Aggregate write-ins for other hospital and medical	(5,166,595)							(5,166,595)		X X X
14. Incentive pool, withhold adjustments and bonus amounts	489,502							489,502		X X X
15. Subtotal (Lines 8 to 14)	1,212,877,912	98,476,157						1,114,401,755		X X X
16. Net reinsurance recoveries	1,149,540							1,149,540		X X X
17. TOTAL Hospital and Medical (Lines 15 minus 16)	1,211,728,372	98,476,157						1,113,252,215		X X X
18. Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19. Claims adjustment expenses including \$.....33,651,735 cost containment expenses	58,922,789	9,194,973						49,727,816		
20. General administrative expenses	100,418,903	22,412,339						78,006,564		
21. Increase in reserves for accident and health contracts										X X X
22. Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23. TOTAL Underwriting Deductions (Lines 17 to 22)	1,371,070,064	130,083,469						1,240,986,595		
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	21,228,747	2,689,308						18,539,439		
DETAILS OF WRITE-INS										
0501. EOHHS Incentive Income	1,675,484	1,619						1,673,865		X X X
0502.										X X X
0503.										X X X
0598. Summary of remaining write-ins for Line 5 from overflow page										X X X
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	1,675,484	1,619						1,673,865		X X X
0601.		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698. Summary of remaining write-ins for Line 6 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301. Stop Loss Recoveries from EOHHS	(5,166,595)							(5,166,595)		X X X
1302.										X X X
1303.										X X X
1398. Summary of remaining write-ins for Line 13 from overflow page										X X X
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)	(5,166,595)							(5,166,595)		X X X

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

		1	2	3	4
	Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical)	133,085,624		314,466	132,771,158
2.	Medicare Supplement				
3.	Dental only				
4.	Vision only				
5.	Federal Employees Health Benefits Plan				
6.	Title XVIII - Medicare				
7.	Title XIX - Medicaid	1,262,050,279		4,198,109	1,257,852,170
8.	Other health				
9.	Health subtotal (Lines 1 through 8)	1,395,135,903		4,512,575	1,390,623,328
10.	Life				
11.	Property/casualty				
12.	TOTALS (Lines 9 to 11)	1,395,135,903		4,512,575	1,390,623,328

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	1,198,978,455	100,289,259						1,098,689,196		
1.2 Reinsurance assumed										
1.3 Reinsurance ceded	2,019,350							2,019,350		
1.4 Net	1,196,959,105	100,289,259						1,096,669,846		
2. Paid medical incentive pools and bonuses	1,732,626							1,732,626		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	137,178,412	11,629,091						125,549,321		
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	137,178,412	11,629,091						125,549,321		
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct										
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net										
5. Accrued medical incentive pools and bonuses, current year	2,014,448							2,014,448		
6. Net healthcare receivables (a)	(10,622,868)	5,560,762						(16,183,630)		
7. Amounts recoverable from reinsurers December 31, current year	128,505							128,505		
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	134,391,328	7,878,006						126,513,322		
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	134,391,328	7,878,006						126,513,322		
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct										
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net										
10. Accrued medical incentive pools and bonuses, prior year	3,257,572							3,257,572		
11. Amounts recoverable from reinsurers December 31, prior year	998,316							998,316		
12. Incurred benefits:										
12.1 Direct	1,212,388,407	98,479,582						1,113,908,825		
12.2 Reinsurance assumed										
12.3 Reinsurance ceded	1,149,539							1,149,539		
12.4 Net	1,211,238,868	98,479,582						1,112,759,286		
13. Incurred medical incentive pools and bonuses	489,502							489,502		

(a) Excludes \$.....32,500 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	14,260,171	1,208,884						13,051,287		
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	14,260,171	1,208,884						13,051,287		
2. Incurred but Unreported:										
2.1 Direct	122,918,241	10,420,207						112,498,034		
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net	122,918,241	10,420,207						112,498,034		
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS										
4.1 Direct	137,178,412	11,629,091						125,549,321		
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	137,178,412	11,629,091						125,549,321		

UNDERWRITING AND INVESTMENT EXHIBIT

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

	Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1.	Comprehensive (hospital and medical)	2,159,651	98,126,182	1,804,048	9,825,043	3,963,699	7,878,006
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid	88,657,337	1,008,885,745	8,337,719	117,211,601	96,995,056	126,513,321
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	90,816,988	1,107,011,927	10,141,767	127,036,644	100,958,755	134,391,327
10.	Healthcare receivables (a)	1,531,089	1,206,639		18,522,615	1,531,089	31,883,212
11.	Other non-health						
12.	Medical incentive pool and bonus amounts	1,363,697	368,929	1,442,239	572,209	2,805,936	3,257,572
13.	TOTALS (Lines 9 - 10 + 11 + 12)	90,649,596	1,106,174,217	11,584,006	109,086,238	102,233,602	105,765,687

(a) Excludes \$.....32,500 loans or advances to providers not yet expensed.

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

Grand Total

Section A - Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	80,035	78,450	77,427	76,730	76,450
2. 2016	861,203	968,808	968,459	969,257	968,747
3. 2017	X X X	1,091,858	1,210,134	1,218,337	1,218,682
4. 2018	X X X	X X X	1,149,355	1,230,015	1,235,660
5. 2019	X X X	X X X	X X X	1,111,933	1,198,913
6. 2020	X X X	X X X	X X X	X X X	1,118,004

Section B - Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	81,677	78,552	77,529	76,730	76,450
2. 2016	983,166	972,528	968,459	969,257	968,747
3. 2017	X X X	1,246,048	1,216,798	1,218,337	1,218,682
4. 2018	X X X	X X X	1,273,818	1,241,077	1,235,660
5. 2019	X X X	X X X	X X X	1,238,520	1,210,497
6. 2020	X X X	X X X	X X X	X X X	1,245,613

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2016	1,119,660	968,747	23,601	2.436	992,348	88.629			992,348	88.629
2. 2017	1,363,672	1,218,682	27,216	2.233	1,245,898	91.363			1,245,898	91.363
3. 2018	1,373,688	1,235,660	31,739	2.569	1,267,399	92.263			1,267,399	92.263
4. 2019	1,342,355	1,198,913	35,581	2.968	1,234,494	91.965	11,584	989	1,247,067	92.901
5. 2020	1,390,623	1,118,004	51,119	4.572	1,169,123	84.072	127,609	2,747	1,299,479	93.446

12 Grand Total

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

Hospital and Medical
Section A - Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	(563)	133	341	252	220
2. 2016	23,712	29,737	30,038	30,005	29,996
3. 2017	X X X	31,319	35,967	37,267	37,364
4. 2018	X X X	X X X	58,220	63,521	63,913
5. 2019	X X X	X X X	X X X	80,514	82,226
6. 2020	X X X	X X X	X X X	X X X	92,569

Section B - Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	318	235	443	252	220
2. 2016	31,568	29,988	30,038	30,005	29,996
3. 2017	X X X	39,014	37,366	37,267	37,364
4. 2018	X X X	X X X	65,523	64,213	63,913
5. 2019	X X X	X X X	X X X	87,700	84,030
6. 2020	X X X	X X X	X X X	X X X	102,394

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2016	52,676	29,996	488	1.626	30,484	57.870			30,484	57.870
2. 2017	54,119	37,364	3,210	8.590	40,574	74.971			40,574	74.971
3. 2018	100,982	63,913	3,602	5.636	67,515	66.858			67,515	66.858
4. 2019	120,710	82,226	4,283	5.209	86,509	71.667	1,804	136	88,449	73.274
5. 2020	132,771	92,569	8,091	8.740	100,660	75.815	9,825	180	110,665	83.350

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Dental Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP NONE
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare NONE
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare NONE

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

Title XIX - Medicaid

Section A - Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	80,598	78,317	77,086	76,478	76,230
2. 2016	837,491	939,071	938,421	939,252	938,751
3. 2017	X X X	1,060,539	1,174,167	1,181,070	1,181,318
4. 2018	X X X	X X X	1,091,135	1,166,494	1,171,747
5. 2019	X X X	X X X	X X X	1,031,419	1,116,687
6. 2020	X X X	X X X	X X X	X X X	1,025,435

Section B - Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	81,359	78,317	77,086	76,478	76,230
2. 2016	951,598	942,540	938,421	939,252	938,751
3. 2017	X X X	1,207,034	1,179,432	1,181,070	1,181,318
4. 2018	X X X	X X X	1,208,295	1,176,864	1,171,747
5. 2019	X X X	X X X	X X X	1,150,820	1,126,467
6. 2020	X X X	X X X	X X X	X X X	1,143,219

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2016	1,066,984	938,751	23,113	2.462	961,864	90.148			961,864	90.148
2. 2017	1,309,553	1,181,318	24,006	2.032	1,205,324	92.041			1,205,324	92.041
3. 2018	1,272,706	1,171,747	28,137	2.401	1,199,884	94.278			1,199,884	94.278
4. 2019	1,221,645	1,116,687	31,298	2.803	1,147,985	93.970	9,780	853	1,158,618	94.841
5. 2020	1,257,852	1,025,435	43,028	4.196	1,068,463	84.943	117,784	2,567	1,188,814	94.511

12 Title XIX-Medicaid

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

Other

Section A - Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior					
2. 2016					
3. 2017					
4. 2018					
5. 2019			X X X		
6. 2020	X X X	X X X	X X X	X X X	

Section B - Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior					
2. 2016					
3. 2017					
4. 2018					
5. 2019			X X X		
6. 2020	X X X	X X X	X X X	X X X	

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9/1) Percent
1. 2016										
2. 2017										
3. 2018										
4. 2019										
5. 2020										

12 Other

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves									
2. Additional policy reserves (a)									
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income)									
5. Aggregate write-ins for other policy reserves	2,499,996	2,499,996							
6. TOTALS (Gross)	2,499,996	2,499,996							
7. Reinsurance ceded									
8. TOTALS (Net) (Page 3, Line 4)	2,499,996	2,499,996							
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits									
11. Aggregate write-ins for other claim reserves									
12. TOTALS (Gross)									
13. Reinsurance ceded									
14. TOTALS (Net) (Page 3, Line 7)									
DETAILS OF WRITE-INS									
0501. Risk Adjustment Liability	2,499,996	2,499,996							
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page									
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	2,499,996	2,499,996							
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page									
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)									

(a) Includes \$.....0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building)	176,219	11,597	488,131		675,947
2. Salaries, wages and other benefits	21,904,582	24,076,621	55,824,462		101,805,665
3. Commissions (less \$.....0 ceded plus \$.....0 assumed)					
4. Legal fees and expenses	71,228	4,688	197,303		273,219
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services	1,660,577	109,285	4,599,830		6,369,692
7. Traveling expenses	7,448	490	20,631		28,569
8. Marketing and advertising	187,835	12,362	520,307		720,504
9. Postage, express and telephone	291,462	19,182	807,355		1,117,999
10. Printing and office supplies	207,047	13,626	573,523		794,196
11. Occupancy, depreciation and amortization	111,837	7,360	309,792		428,989
12. Equipment	574,685	37,821	1,591,890		2,204,396
13. Cost or depreciation of EDP equipment and software	1,134,329	74,652	3,142,113		4,351,094
14. Outsourced services including EDP, claims, and other services	6,231,090	410,079	17,260,240		23,901,409
15. Boards, bureaus and association fees	184,788	12,161	113,999		310,948
16. Insurance, except on real estate	204,338	13,448	566,019		783,805
17. Collection and bank service charges	69,655	4,584	192,945	397,868	665,052
18. Group service and administration fees					
19. Reimbursements by uninsured plans					
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses					
22. Real estate taxes					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			12,133,823		12,133,823
23.2 State premium taxes					
23.3 Regulatory authority licenses and fees	135,540	8,920	375,447		519,907
23.4 Payroll taxes	450,821	454,808	1,099,498		2,005,127
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere					
25. Aggregate write-ins for expenses	48,254	(630)	601,596		649,220
26. TOTAL Expenses Incurred (Lines 1 to 25)	33,651,735	25,271,054	100,418,904	397,868	(a) 159,739,561
27. Less expenses unpaid December 31, current year		3,736,548	21,645,483		25,382,031
28. Add expenses unpaid December 31, prior year		3,483,363	25,232,002		28,715,365
29. Amounts receivable relating to uninsured plans, prior year					
30. Amounts receivable relating to uninsured plans, current year					
31. TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	33,651,735	25,017,869	104,005,423	397,868	163,072,895
DETAILS OF WRITE-INS					
2501. Conferences, Training, and Tuition		3,719	213,060		216,779
2502. Recruitment Fees		6,714	384,624		391,338
2503. Meeting		693	39,674		40,367
2598. Summary of remaining write-ins for Line 25 from overflow page	48,254	(11,756)	(35,762)		736
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	48,254	(630)	601,596		649,220

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 602,271	535,870
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 1,169,740	1,181,767
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 78,089	220,811
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL gross investment income	1,850,100	1,938,448
11. Investment expenses		(g) 397,868
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		397,868
17. Net Investment income (Line 10 minus Line 16)		1,540,580

DETAILS OF WRITE-INS

0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$ 52,809 accrual of discount less \$ 357,996 amortization of premium and less \$ 36,384 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 1,995 accrual of discount less \$ 201,649 amortization of premium and less \$ 331,708 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	1,655,183		1,655,183	74,556	
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	326,461		326,461		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	27,230		27,230		
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	2,008,874		2,008,874	74,556	

DETAILS OF WRITE-INS

0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	3,543,549	1,369,035	(2,174,514)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software	5,478,311	2,527,023	(2,951,288)
21. Furniture and equipment, including health care delivery assets	3,663,676	4,847,100	1,183,424
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable	25,000	13,960	(11,040)
25. Aggregate write-ins for other than invested assets	7,415,814	7,557,311	141,497
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	20,126,350	16,314,429	(3,811,921)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. TOTAL (Lines 26 and 27)	20,126,350	16,314,429	(3,811,921)
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 Expenses	2,540,835	2,152,207	(388,628)
2502. Receivable from State			
2503. Deposits	4,407,362	4,404,504	(2,858)
2598. Summary of remaining write-ins for Line 25 from overflow page	467,617	1,000,600	532,983
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	7,415,814	7,557,311	141,497

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	185,914	189,218	197,288	200,900	204,632	2,359,899
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business						
7. TOTAL	185,914	189,218	197,288	200,900	204,632	2,359,899
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page						
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)						

Notes to Financial Statements

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 #	2020	2019
<u>NET INCOME</u>						
(1)	State basis (Page 4, Line 32, Columns 2 & 3)				24,778,201	3,650,599
(2)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					
(201)						
(299)	Total				0	0
(3)	State Permitted Practices that are an increase/(decrease) NAIC SAP:					
(301)						
(399)	Total				0	0
(4)	NAIC SAP (1-2-3=4)				24,778,201	3,650,599
<u>SURPLUS</u>						
(5)	State basis (Page 3, Line 33, Columns 3 & 4)				122,648,134	101,607,297
(6)	State Prescribed Practices that are an increase/(decrease) NAIC SAP:					
(601)						
(699)	Total				0	0
(7)	State Permitted Practices that are an increase/(decrease) NAIC SAP:					
(701)						
(799)	Total				0	0
(8)	NAIC SAP (5-6-7=8)				122,648,134	101,607,297

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

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

C. Accounting Policy

Health capitation premiums are recognized in the period members are entitled to related health care services. Health care service costs and the related liabilities for claims payable are recorded when medical services are authorized, as well as when services are provided without authorization to the extent such services are expected to be ultimately authorized. Expenses are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

(1) Short-term investments are stated at amortized cost.

(2) Bonds are stated at amortized cost using the scientific interest method. The Company does not have any mandatory convertible securities and SVO-identified investments.

Notes to Financial Statements

(3) The Company had no common stock.

(4) The Company had no preferred stock.

(5) The Company had no mortgage loans.

(6) The Company only had loan-backed securities designated with NAIC 1 and 2 designations and are reported at amortized cost.

(7) The Company had no investments in parent, subsidiary or affiliates.

(8) The Company had no investments in joint ventures, partnership, and limited liability companies based on the underlying GAAP equity of the investee.

(9) The Company had no derivatives.

(10) The Company does utilize anticipated investment income as a factor in the premium deficiency calculation.

(11) Unpaid losses and loss adjustment expenses include amounts determined from claims estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability, are continually reviewed and any adjustments are reflected in the period determined.

(12) The Company's capitalization policy has not changed.

(13) The Company's pharmaceutical rebate receivables are estimated based on a historical percentage of gross pharmaceutical claims methodology.

D. **Going Concern**

Going Concern – Management has evaluated the Company's ability to continue as a going concern. There is no substantial doubt in its ability to continue as a going concern

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

A. Statutory Purchase Method - None

B. Statutory Merger - None

C. Assumption Reinsurance – None

D. Impairment Loss – None

4. Discontinued Operations

A. Discontinued Operation Disposed of or Classified as Health for Sale – None

B. Change in Plan of Sale of Discontinued Operation – None

C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal – None

D. Equity Interest Retained in Discontinued Operation After Disposal - None

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans - None

B. Debt Restructuring - None

C. Reverse Mortgages – None

Notes to Financial Statements

D. Loan-Backed Securities

(1) Prepayment assumptions for loan-backed securities were obtained from third party sources

(2), (3) There were no other-than-temporary impairments on any loan-backed securities

E. Dollar Repurchase Agreements and/or Securities Lending Transactions – None

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing – None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – None

H. Repurchase Agreements Transactions Accounted for as a Sale – None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale – None

J. Real Estate – None

K. Low-income housing tax credits (LIHTC) – None

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1	2	3	4	5	6	7
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$ % %
b. Collateral held under security lending agreements
c. Subject to repurchase agreements
d. Subject to reverse repurchase agreements
e. Subject to dollar repurchase agreements
f. Subject to dollar reverse repurchase agreements
g. Placed under option contracts
h. Letter stock or securities restricted as to sale- excluding FHLB capital stock
i. FHLB capital stock
j. On deposit with states	92,161,953	88,432,368	3,729,586		92,161,953	21.707	22.787
k. On deposit with other regulatory bodies
l. Pledged as collateral to FHLB (including assets backing funding agreements)
m. Pledged as collateral not captured in other categories
n. Other restricted assets
o. Total Restricted Assets	\$92,161,953	\$88,432,368	\$3,729,586		\$92,161,953	21.707	22.787

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – None

(3) Detail of Other Restricted Assets – None

M. Working Capital Finance Investments – None

N. Offsetting and Netting of Assets and Liabilities – None

O. 5GI Securities – None

P. Short Sales – None

Q. Prepayment Penalty and Acceleration Fees

Description	
Number of CUSIPS	1
Aggregate Amount of Investment Income	10,584

Notes to Financial Statements

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company does not have any Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of the admitted assets.
- B. The Company does not have any impaired Joint Ventures, Partnerships and Limited Liability Companies.

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default are excluded from surplus.
- B. The Company had no investment income due and accrued excluded from surplus.

8. Derivative Instruments

None

9. Income Taxes

None. The Company is a non-profit HMO.

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

A, B, & D

A Neighborhood bylaw includes certain Rhode Island Community Health Centers to be "Members of the Corporation" so long as specific criteria continue to be met, which includes having in effect with Neighborhood a contract to provide health care services for Neighborhood's enrollees in exchange for payment. Contracts entered into by and between Neighborhood and the Members of the Corporation provide for capitation-based reimbursement to manage and deliver primary care medical services and fee-for-service based reimbursement to deliver other medical services. For the years ended December 31, 2019 and 2020, medical and hospital expenses included \$34,781,456 and \$34,851,010, respectively, for medical services provided, and incentive arrangements earned, by such Members of the Corporation. At December 31, 2019 and 2020 accrued incentives in the amount of \$3,257,572 and \$2,014,448 were due to members of the Corporation.

- C. Transactions with Related Parties who are not reported on Schedule Y - None
- E. Material management contracts - None
- F. Guarantees – None
- G. Common Control – None
- H. Deductions in Value – There have been no deductions in value between affiliated companies.
- I. SCA that exceed 10% of Admitted Assets – None
- J. Impaired SCAs – None
- K. Foreign Subsidiary – None
- L. Downstream Noninsurance Holding Company – None
- M. Non-Insurance SCA Investments - None
- N. Investment in Insurance SCA – None
- O. SCA and SSAP No 48 Entity Loss Tracking- None

11. Debt

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

Notes to Financial Statements

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

- A. Defined Benefit Plan - None
- B. Investment Policies and Strategies – None
- C. Plan Assets – None
- D. Long-term Rate-of-return-on-assets Assumption - None
- E. Defined Contribution Plans - Neighborhood sponsors a Safe Harbor 401(k) Profit Sharing Plan and Trust (the Plan) covering employees meeting certain age and length of service requirements. Neighborhood matches one hundred percent of the first three percent of a participant's eligible compensation and fifty percent of the next two percent of a participant's eligible compensation contribution. Employer contributions to the Plan included in administrative expenses, totaled \$1,422,432 and \$1,536,518 for the years ended December 31, 2019 and 2020, respectively. At December 31, 2020, the fair value of plan assets was \$42,904,367.
- F. Multi-Employer Plan – None
- G. Consolidated/Holding Company Plans – None
- H. Post-Employment Benefits and Compensated Absences – None
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – None

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

- A. The Company has no common stock issued or outstanding.
- B. The Company has no preferred stock issued or outstanding.
- C. No dividends can be issued since the Company is not a stock company.
- D. The Company did not pay any dividends during 2020.
- E. No dividends can be issued since the Company is not a stock company.
- F. There were no restrictions placed on the Company's surplus, including for whom the surplus is being paid.
- G. The Company has no advances to surplus not repaid.
- H. The Company held no stock.
- I. There were no changes to the balances of any special surplus funds from the prior year.
- J. Portion of unassigned funds represented or reduced by unrealized gains or losses is \$1,409,430.
- K. Surplus Notes - None
- L, M. There have been no quasi-reorganizations.

14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - None
- B. Assessments – None.
- C. Gain Contingencies – None
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits – None
- E. Joint and Several Liabilities – None
- F. All Other Contingencies – None

Notes to Financial Statements

15. Leases

A. Lessee Operating Lease –

(1)

Neighborhood has two operating lease agreements, one with Foundry Parcel Six Associates, LLC and the other with Smithfield Office Center LLC.

Neighborhood operating lease agreement with Foundry Parcel Six Associates, LLC, leases approximately 50,428 square feet of office space. The 50,428 square feet of office space is made up of 44,328 square feet of office space leased on July 16, 2003 (amended by both parties on August 23, 2005 to include an additional 6,100 square feet). The terms and conditions for these agreements as at December 31, 2019 extend through December 31, 2020. This lease has not been extended past December 31, 2020.

In December 2015 the Company entered into a lease with Smithfield Office Center, LLC to rent out 101,267 square feet of administrative office space through November 2025. Neighborhood has the option to extend the term of this lease for two (2) consecutive additional periods of five (5) year each.

In addition to base rent, Neighborhood pays to Foundry Parcel Six Associates, LLC and Smithfield Office Center, LLC, increases in real estate taxes and operating expenses over the base year amounts, as well as maintenance and insurance costs on all leases and subleases. The above operating leases require Neighborhood to pay the lessor security deposits of \$79,363. The security deposits, together with any and all accrued interest, will be held by the lessor during the term of the leases.

Minimum rent expense related to the leases totaled approximately \$ 2,645,415 and \$2,667,101 for the years ended December 31, 2019 and 2020 respectively.

At December 31, 2020 the annual minimum future lease payments under all non-cancelable operating leases with Smithfield Office Center, LLC, , excluding real estate taxes and operating expenses, are \$7,729,457.

(2) a. At January 1, 2020, the minimum aggregate rental commitments are as follows:

	Year Ending December 31		Operating Leases
1	2021		1,512,338
2	2022		1,541,874
3	2023		1,573,267
4	2024		1,604,660
5	2025		1,497,317
	Total		7,729,457

b. None

B. Lessor Leases – None

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

None

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

A. Transfers of Receivables reported as Sales – None

B. Transfer and Servicing of Financial Assets – None

C. Wash Sales – None

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

A. ASO Plans – None

B. ASC Plans - None

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract – None

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

None

Notes to Financial Statements

20. Fair Value Measurements

A.

- (1) Fair Value Measurements at reporting date: During 2018, Neighborhood only reports Money Market Mutual Funds in Cash Equivalents at fair value using Level 2. The Company has no other assets or liabilities reported at fair value. 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.

	Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a.	Assets at fair value					
	Cash Equivalents					
	Money Market Mutual Fund		1,245,647			1,245,647
	Total Cash Equivalents		1,245,647			1,245,647
	Subtotal – Assets at fair value		1,245,647			1,245,647
b.	Liabilities at fair value					
	Subtotal – Liabilities at fair value					

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - 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)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	100,279,420	95,353,045		100,279,420			
Short-term Investments	42,277,537	42,283,949		42,277,537			
Cash Equivalents	9,653,834	9,655,946		9,653,834			

- D. Not Practicable to Estimate Fair Value – None
- E. Investments Measured at Net Asset Value (NAV) - None

21. Other Items

- A. Unusual and Infrequent Items – None
- B. Troubled Debt Restructuring – None
- C. Other Disclosures – None
- D. Business Interruption Insurance Recoveries - None
- E. State Transferable and Non-transferable Tax Credits - None
- F. Subprime-Mortgage-Related Risk Exposure – None
- G. Retained Assets - None
- H. Insurance-Linked Securities – None
- I. The Amount That Could be Realized on Life Insurance Where the Reporting Entity is owner and Beneficiary or Has Otherwise Obtained Rights to Control Policy - None

Notes to Financial Statements

22. Events Subsequent

Type I. – Recognized Subsequent Events

Subsequent events have been considered through February 24, 2021 for the statutory statement issued on December 31, 2020.

None

Type II. – Nonrecognized Subsequent Events

Subsequent events have been considered through February 24, 2021 for the statutory statement issued on December 31, 2020.

None

The Company is not subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA) due to being a non-profit HMO with a percentage of Medicaid business being over 80% of total premiums. The annual fee is no longer in effect beginning 2021.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (x)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (x)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (x)

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (x)

Section 3 – Ceded Reinsurance Report – Part B – None

B. Uncollectible Reinsurance – None

C. Commutation of Ceded Reinsurance – None

D. Certified Reinsurer Downgraded or Status Subject to Revocation – None

E. Reinsurance Credit

1. Reinsurance contracts subject to A-791 – None
2. Reinsurance contracts not subject to A-791 – The Company has 1 reinsurance contract with Zurich American Insurance Company of IL with risk limiting features. The reinsurance credit was reduced for the risk limiting features.
3. There are no provisions that delay payment in form or in fact within the contract.
4. The reinsurance contract with Zurich American Insurance Company of IL meets the risk transfer requirements of SSAP No. 61R. This contract is a stop loss contract with a deductible that does not result in significant surplus relief.
5. Reinsurance Contracts accounted for differently between GAAP and SAP – None

Notes to Financial Statements

6. Reinsurance Contracts accounted for differently between GAAP and SAP – None

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The Company has no accrued retrospective rated contracts or contracts subject to redetermination.
- B. The Company has no accrued retrospective rated contracts or contracts subject to redetermination.
- C. The Company has no accrued retrospective rated contracts or contracts subject to redetermination.
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act - None
- 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

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

	<u>AMOUNT</u>
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	60,868
3.Premium adjustments payable due to ACA Risk Adjustment	2,499,996
Operations (Revenue & Expense)	
4.Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	(2,070,583)
5.Reported in expenses as ACA risk adjustment user fees (incurred/paid)	60,866
b. Transitional ACA Reinsurance Program	
Assets	
1.Amounts recoverable for claims paid due to ACA Reinsurance	0
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	
5.Ceded reinsurance premiums payable due to ACA Reinsurance	0
6.Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	
Operations (Revenue & Expense)	
7.Ceded reinsurance premiums due to ACA Reinsurance	0
8.Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	0
9.ACA Reinsurance contributions – not reported as ceded premium	0
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	0
Operations (Revenue & Expense)	
3.Effect of ACA Risk Corridors on net premium income (paid/received)	0

Notes to Financial Statements

4. Effect of ACA Risk Corridors on change in reserves for rate credits

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

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
	1	2	3	4	5	6	7	8	Ref	9	10
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	\$5,553,922	\$0	\$5,000,000	\$0	\$553,922	\$0	\$(553,922)	B	\$0	\$0
3. Subtotal ACA Permanent Risk Adjustment Program	\$0	\$5,553,922	\$0	\$5,000,000	\$0	\$553,922	\$0	\$(553,922)		\$0	\$0
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	C	\$0	\$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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		\$0	\$0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	I	\$0	\$0
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	\$0	\$5,553,922	\$0	\$5,000,000	\$0	\$553,922	\$0	\$(553,922)		\$0	\$0

Explanations of Adjustments

A
B. Adjustment made based on notification from CMS.
C
D
E
F
G
H

Notes to Financial Statements

I.
J.

(4) Roll Forward of ACA Risk Corridor Asset and Liability Balances - None

(5) ACA Risk Corridor Receivable - None

25. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2019 were \$141,132,262. As of December 31, 2020, \$95,664,048 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$11,584,007 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$33,884,207 favorable prior-year development since December 31, 2019 to December 31, 2020. 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

None

27. Structured Settlements

None

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

In accordance with NAIC SAP Statement No. 84, the following is a summary of the required disclosures relating to pharmaceutical rebates:

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2020	9,496,799	9,464,695			
09/30/2020	8,996,989	9,765,622			
06/30/2020	8,724,614	9,448,445		8,695,786	
03/31/2020	8,418,712	8,548,723		8,418,713	
12/31/2019	8,965,792	8,799,423		7,636,353	72,633
09/30/2019	17,739,287	8,725,555		7,570,622	120,785
06/30/2019	4,486,167	8,763,550		4,839,234	2,860,590
03/31/2019	4,091,229	8,786,957		1,101,101	6,893,542
12/31/2018	3,356,268				3,716,417
09/30/2018	3,356,268	3,377,609		1,965,881	1,267,076
06/30/2018	3,317,446	3,276,878	2,301,432		1,016,534
03/31/2018	3,244,618	3,206,333	1,111,906	2,033,195	(7,414)

Pharmaceutical rebate receivables are estimated based on the past experience and historical trends.

B. Risk Sharing Receivables - None

29. Participating Policies

None

30. Premium Deficiency Reserves

- Liability carried for premium deficiency reserves
- Date of the most recent evaluation of this liability
- Was anticipated investment income utilized in the calculation? (Yes / No)

\$0
<u>12/31/2020</u>
<u>YES</u>

31. Anticipated Salvage and Subrogation

None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[] No[X]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[] No[] N/A[X]
- 1.3 State Regulating? Yes[] No[X]
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[] No[X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2017.....
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2017.....
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).02/28/2019.....
- 3.4 By what department or departments?
Rhode Island Department of Business Regulation, Insurance Division
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[X] No[] N/A[]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If yes, complete and file the merger history data file with the NAIC. Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[] No[X]
- 7.2 If yes,0.000%.....
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....

- 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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	No	No	No	No

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP, 200 Charendon Street, Boston, MA 02116
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[] No[X]
- 10.2 If response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is no or n/a please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Jeremy D. Palmer, Principal & Consulting Actuary, Milliman, 111 Monument Circle, Suite 601, Indianapolis, IN 46204

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved 0
- 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [] N/A [X]
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [] N/A [X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

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

FINANCIAL

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

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
Not Applicable
- 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 0
- 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ 0
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]
- 24.09 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

GENERAL INTERROGATORIES (Continued)

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

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[X] No[]

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

25.21 Subject to repurchase agreements \$ 0
 25.22 Subject to reverse repurchase agreements \$ 0
 25.23 Subject to dollar repurchase agreements \$ 0
 25.24 Subject to reverse dollar repurchase agreements \$ 0
 25.25 Placed under option agreements \$ 0
 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0
 25.27 FHLB Capital Stock \$ 0
 25.28 On deposit with states \$ 92,161,953
 25.29 On deposit with other regulatory bodies \$ 0
 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 0
 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 0
 25.32 Other \$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes[] No[X]

26.4 If the response to 26.3 is yes, does the reporting entity utilize:
 26.41 Special Accounting Provision of SSAP No. 108 Yes[] No[X]
 26.42 Permitted Accounting Practice Yes[] No[X]
 26.43 Other Accounting Guidance Yes[] No[X]

26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, does the reporting entity attest to the following: Yes[] No[X]
 - The reporting entity has obtained explicit approval from the domiciliary state.
 - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
 - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated with in the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
 - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[] No[X]
 27.2 If yes, state the amount thereof at December 31 of the current year. \$ 0

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

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

1 Name of Custodian(s)	2 Custodian's Address
Comerica Bank	411 West Lafayette, Detroit, MI 48226
RBS Citizens Bank	One Citizens Plaza, Providence, RI 02903

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[] No[X]

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

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

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

1 Name of Firm or Individual	2 Affiliation
Income Research & Management .....	..... U
RBS Citizens Bank - Private Wealth .....	..... U

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

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

GENERAL INTERROGATORIES (Continued)

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
124567	Silicon Valley Bank .....	.....	SEC .....	..... DS

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

Yes No

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	146,047,294	150,965,144	4,917,850
30.2 Preferred stocks .....	.....	.....	.....
30.3 Totals	146,047,294	150,965,144	4,917,850

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

Comerica

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

Yes No

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes No N/A

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

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes No

32.2 If no, list exceptions:

33. By self-designation 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

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

Has the reporting-entity self-designated 5GI securities?

Yes No

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

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes No

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

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

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes No

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

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.

GENERAL INTERROGATORIES (Continued)

- c. If the investment is with a related party or affiliate then the reporting entity has complete robust reunderwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a-36.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?

Yes[X] No[] N/A[]

OTHER

- 37.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 517,540
- 37.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Milliman, Inc	309,202

- 38.1 Amount of payments for legal expenses, if any? \$ 274,052
- 38.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Chace Ruttenberg & Freddman, LLP	105,106
Parker Gallini, LLP	68,793

- 39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ 86,400
- 39.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Capitol City Group, Ltd	86,400

GENERAL INTERROGATORIES (Continued)

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes No
- 1.2 If yes, indicate premium earned on U.S. business only: \$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
 - 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0
- 1.6 Individual policies - Most current three years:
 - 1.61 TOTAL Premium earned \$ 0
 - 1.62 TOTAL Incurred claims \$ 0
 - 1.63 Number of covered lives 0
 - All years prior to most current three years:
 - 1.64 TOTAL Premium earned \$ 0
 - 1.65 TOTAL Incurred claims \$ 0
 - 1.66 Number of covered lives 0
- 1.7 Group policies - Most current three years:
 - 1.71 TOTAL Premium earned \$ 0
 - 1.72 TOTAL Incurred claims \$ 0
 - 1.73 Number of covered lives 0
 - All years prior to most current three years:
 - 1.74 TOTAL Premium earned \$ 0
 - 1.75 TOTAL Incurred claims \$ 0
 - 1.76 Number of covered lives 0

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator	1,390,623,327	1,342,355,294
2.2 Premium Denominator	1,390,623,327	1,342,355,294
2.3 Premium Ratio (2.1 / 2.2)	100.000	100.000
2.4 Reserve Numerator	141,692,855	143,202,821
2.5 Reserve Denominator	141,692,855	143,202,821
2.6 Reserve Ratio (2.4 / 2.5)	100.000	100.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes No
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes No
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes No N/A
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes No
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions):
 - 5.31 Comprehensive Medical \$ 615,000
 - 5.32 Medical Only \$ 0
 - 5.33 Medicare Supplement \$ 0
 - 5.34 Dental & Vision \$ 0
 - 5.35 Other Limited Benefit Plan \$ 0
 - 5.36 Other \$ 0
- 6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
The Company has hold harmless clause with all contracted providers
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes No
- 7.2 If no, give details:
- 8. Provide the following information regarding participating providers:
 - 8.1 Number of providers at start of reporting year 6,706
 - 8.2 Number of providers at end of reporting year 7,060
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes No
- 9.2 If yes, direct premium earned:
 - 9.21 Business with rate guarantees between 15-36 months 0
 - 9.22 Business with rate guarantees over 36 months 0
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No
- 10.2 If yes:
 - 10.21 Maximum amount payable bonuses \$ 2,014,448
 - 10.22 Amount actually paid for year bonuses \$ 1,732,626
 - 10.23 Maximum amount payable withholds \$ 0
 - 10.24 Amount actually paid for year withholds \$ 0
- 11.1 Is the reporting entity organized as:
 - 11.12 A Medical Group/Staff Model, Yes No
 - 11.13 An Individual Practice Association (IPA), or, Yes No
 - 11.14 A Mixed Model (combination of above)? Yes No
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes No
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.
Rhode Island
- 11.4 If yes, show the amount required. \$ 97,027,532
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes No
- 11.6 If the amount is calculated, show the calculation.
200% of Authorized Control Level RBC
- 12. List service areas in which the reporting entity is licensed to operate:

1 Name of Service Area
Rhode Island

- 13.1 Do you act as a custodian for health savings accounts? Yes No
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date: \$ 0
- 13.3 Do you act as an administrator for health savings accounts? Yes No
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ 0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, as authorized reinsurers? Yes No N/A
- 14.2 If the answer to 14.1 is yes, please provide the following:

GENERAL INTERROGATORIES (Continued)

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

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

15.1 Direct Premium Written	\$	0
15.2 Total incurred claims	\$	0
15.2 Number of covered lives	.....	0

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

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

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

FIVE-YEAR HISTORICAL DATA

	1 2020	2 2019	3 2018	4 2017	5 2016
BALANCE SHEET (Pages 2 and 3)					
1. TOTAL Admitted Assets (Page 2, Line 28)	404,452,916	354,975,179	333,881,490	382,572,757	348,826,417
2. TOTAL Liabilities (Page 3, Line 24)	281,804,783	253,367,882	232,315,200	282,295,189	246,123,746
3. Statutory minimum capital and surplus requirement	97,027,532	96,217,098	99,171,312	95,640,338	76,324,796
4. TOTAL Capital and Surplus (Page 3, Line 33)	122,648,134	101,607,297	101,566,289	100,277,568	102,702,671
INCOME STATEMENT (Page 4)					
5. TOTAL Revenues (Line 8)	1,392,298,811	1,345,930,383	1,377,747,019	1,365,886,563	1,121,891,188
6. TOTAL Medical and Hospital Expenses (Line 18)	1,211,728,372	1,207,417,711	1,239,476,084	1,232,285,769	981,487,659
7. Claims adjustment expenses (Line 20)	58,922,789	32,447,188	31,441,514	29,889,981	27,159,852
8. TOTAL Administrative Expenses (Line 21)	100,418,903	108,134,171	103,426,579	103,393,547	93,717,742
9. Net underwriting gain (loss) (Line 24)	21,228,747	(2,068,687)	3,402,842	317,266	19,525,935
10. Net investment gain (loss) (Line 27)	3,549,454	3,751,787	3,220,105	2,051,872	1,565,533
11. TOTAL Other Income (Lines 28 plus 29)		1,967,499	(552,279)	(4,032,989)	(1,358,596)
12. Net income or (loss) (Line 32)	24,778,201	3,650,599	6,070,668	(1,663,851)	19,732,872
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	37,290,415	(99,632,488)	(89,690,590)	32,228,958	(35,450,603)
RISK-BASED CAPITAL ANALYSIS					
14. TOTAL Adjusted Capital	122,648,134	101,607,297	101,566,289	100,277,568	102,702,671
15. Authorized control level risk-based capital	48,513,766	48,108,549	49,588,540	47,820,169	38,162,355
ENROLLMENT (Exhibit 1)					
16. TOTAL Members at End of Period (Column 5, Line 7)	204,632	185,914	193,920	199,639	192,678
17. TOTAL Members Months (Column 6, Line 7)	2,359,899	2,307,846	2,440,979	2,407,779	2,231,981
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19)	87.1	89.9	90.2	90.4	87.7
20. Cost containment expenses	2.4	1.5	1.4	1.3	1.5
21. Other claims adjustment expenses	1.8	1.0	0.9	0.9	1.0
22. TOTAL Underwriting Deductions (Line 23)	98.6	100.4	100.0	100.1	98.5
23. TOTAL Underwriting Gain (Loss) (Line 24)	1.5	(0.2)	0.2	0.0	1.7
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5)	102,233,602	99,685,725	116,096,898	109,380,174	81,487,345
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)]	105,765,687	114,268,780	149,249,169	109,932,734	73,051,660
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. TOTAL of Above Lines 26 to 31					
33. TOTAL Investment in Parent Included in Lines 26 to 31 above					

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

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

State, Etc.	1 Active Status (a)	Direct Business Only							
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit - Type Contracts
1. Alabama (AL)	N								
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	133,085,624		1,262,050,279			1,395,135,903		
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	133,085,624		1,262,050,279			1,395,135,903		
60. Reporting entity contributions for Employee Benefit Plans	X X X								
61. TOTAL (Direct Business)	X X X	133,085,624		1,262,050,279			1,395,135,903		
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								

(a) Active Status Counts:

- L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG
- 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

1

R - Registered - Non-domiciled RRGs

Q - Qualified - Qualified or accredited reinsurer

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(b) Explanation of basis of allocation by state, premiums by state, etc.: Premiums were allocated by residence of member.

39 Schedule T - Part 2 - Interstate Compact - Exhibit of Premiums Written NONE

40 Schedule Y - Part 1 NONE

41 Schedule Y - Part 1A NONE

42 Schedule Y - Part 2 NONE