



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022
OF THE CONDITION AND AFFAIRS OF THE

Empire HealthChoice HMO, Inc.

NAIC Group Code 0671 0671 NAIC Company Code 95433 Employer's ID Number 13-3874803
(Current) (Prior)

Organized under the Laws of New York, State of Domicile or Port of Entry NY

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

Incorporated/Organized 03/05/1996 Commenced Business 03/19/1996

Statutory Home Office 1 Penn Plz, 35th Floor, New York, NY, US 10119
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1 Penn Plz, 35th Floor
(Street and Number)
New York, NY, US 10119, 212-563-5570
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 Penn Plz, 35th Floor, New York, NY, US 10119
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 220 Virginia Avenue
(Street and Number)
Indianapolis, IN, US 46204, 800-331-1476
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.elevancehealth.com

Statutory Statement Contact Leigh Barrett, 317-432-6988
(Name) (Area Code) (Telephone Number)
leigh.barrett@elevancehealth.com, 317-488-6200
(E-mail Address) (FAX Number)

OFFICERS

President, Chairperson and Chief Executive Officer Alan James Murray Treasurer Eric (Rick) Kenneth Noble
 Secretary Jay Harry Wagner Assistant Secretary Patrick James O'Keeffe

OTHER

Vincent Edward Scher, Assistant Treasurer

DIRECTORS OR TRUSTEES

Alan James Murray Lois Susan Freedman Patrick James O'Keeffe
Raul Guillermo Smith

State of Indiana SS
 County of Johnson

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

<p>DocuSigned by: 2D300904431B4B6...</p> <p>Alan James Murray President, Chairperson and Chief Executive Officer</p>	<p>DocuSigned by: 12E402B114634B3...</p> <p>Jay Harry Wagner Secretary</p>	<p>DocuSigned by: E598440298764FA...</p> <p>Eric (Rick) Kenneth Noble Treasurer</p>
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Subscribed and sworn to before me this 21st day of February 2023

Rita F. Gentry
 Executive Assistant
 1/17/2029

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

Rita F. Gentry
 Notary Public
 SEAL
 Johnson County, State of Indiana
 My Commission Expires January 17, 2029
 Commission No: NP0641321

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	294,886,240		294,886,240	319,653,607
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 6,917,720 , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$, Schedule DA)	6,917,720		6,917,720	10,802,737
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)			0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)	14,570,768		14,570,768	15,180,624
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	316,374,728	0	316,374,728	345,636,968
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	2,734,812		2,734,812	2,841,886
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,812,258	1,629,588	6,182,670	6,395,943
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$ 29,212,624)	29,212,624		29,212,624	22,120,444
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	3,809,008	3,418,727	390,281	2,845,212
18.1 Current federal and foreign income tax recoverable and interest thereon	1,752,153		1,752,153	13,763,052
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)	2,289,412	2,289,412	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$ 5,596,207) and other amounts receivable	44,245,365	38,649,158	5,596,207	5,792,640
25. Aggregate write-ins for other than invested assets	11,083,106	95,879	10,987,227	31,044,117
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	419,313,466	46,082,764	373,230,702	430,440,262
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	419,313,466	46,082,764	373,230,702	430,440,262
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Medicare receivables	7,756,589	0	7,756,589	24,997,827
2502. Prepaid expenses	1,689,097	65,358	1,623,739	148,337
2503. Premium tax recoverable	665,223	0	665,223	1,228,407
2598. Summary of remaining write-ins for Line 25 from overflow page	972,197	30,521	941,676	4,669,546
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	11,083,106	95,879	10,987,227	31,044,117

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	79,082,585		79,082,585	91,172,785
2. Accrued medical incentive pool and bonus amounts	34,340,220		34,340,220	26,259,533
3. Unpaid claims adjustment expenses.....	2,044,182		2,044,182	2,186,844
4. Aggregate health policy reserves, including the liability of \$415,727 for medical loss ratio rebate per the Public Health Service Act	9,701,711		9,701,711	1,527,610
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....			0	0
8. Premiums received in advance.....	393,722		393,722	577,898
9. General expenses due or accrued.....	386,988		386,988	835,566
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable.....			0	0
12. Amounts withheld or retained for the account of others.....	1,759,512		1,759,512	1,457,180
13. Remittances and items not allocated.....	980,986		980,986	3,222,505
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....	115,887,507		115,887,507	139,337,162
16. Derivatives.....			0	0
17. Payable for securities.....			0	0
18. Payable for securities lending	14,570,768		14,570,768	15,180,624
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans.....			0	0
23. Aggregate write-ins for other liabilities (including \$1,809,603 current).....	2,611,746	0	2,611,746	3,602,985
24. Total liabilities (Lines 1 to 23).....	261,759,927	0	261,759,927	285,360,692
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	2	2
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	101,999,998	101,999,998
29. Surplus notes.....	XXX	XXX	0	
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	85,215,761	94,833,398
31. Unassigned funds (surplus).....	XXX	XXX	(75,744,986)	(51,753,828)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$).....	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	111,470,775	145,079,570
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	373,230,702	430,440,262
DETAILS OF WRITE-INS				
2301. Escheat liability	929,895		929,895	886,417
2302. Miscellaneous Medicare liabilities	813,261		813,261	900,338
2303. Other premium liability	477,296		477,296	1,064,303
2398. Summary of remaining write-ins for Line 23 from overflow page	391,294	0	391,294	751,927
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	2,611,746	0	2,611,746	3,602,985
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001. Required Reserves	XXX	XXX	85,215,761	94,833,398
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	85,215,761	94,833,398

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	568,520	708,959
2. Net premium income (including \$ non-health premium income)	XXX	681,726,084	758,667,182
3. Change in unearned premium reserves and reserve for rate credits	XXX	(1,164,630)	(3,454,546)
4. Fee-for-service (net of \$ medical expenses)	XXX	0	
5. Risk revenue	XXX	0	
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	680,561,454	755,212,636
Hospital and Medical:			
9. Hospital/medical benefits		448,439,411	535,994,080
10. Other professional services		30,547,499	19,506,195
11. Outside referrals		64,094,045	91,981,506
12. Emergency room and out-of-area		26,038,424	24,504,414
13. Prescription drugs		30,504,587	39,783,372
14. Aggregate write-ins for other hospital and medical.....	0	0	(54,879)
15. Incentive pool, withhold adjustments and bonus amounts		6,617,574	15,755,756
16. Subtotal (Lines 9 to 15)	0	606,241,540	727,470,444
Less:			
17. Net reinsurance recoveries		0	0
18. Total hospital and medical (Lines 16 minus 17)	0	606,241,540	727,470,444
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 18,962,082 cost containment expenses		29,558,605	45,694,823
21. General administrative expenses		44,949,912	55,648,901
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		6,324,368	(17,640,696)
23. Total underwriting deductions (Lines 18 through 22).....	0	687,074,425	811,173,472
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(6,512,971)	(55,960,836)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		8,372,140	8,661,365
26. Net realized capital gains (losses) less capital gains tax of \$ (1,084,108)		(4,219,903)	367,482
27. Net investment gains (losses) (Lines 25 plus 26)	0	4,152,237	9,028,847
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$ (390,145))]		(390,145)	(580,473)
29. Aggregate write-ins for other income or expenses	0	33,534	60,476
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	(2,717,345)	(47,451,986)
31. Federal and foreign income taxes incurred	XXX	(400,226)	(13,964,485)
32. Net income (loss) (Lines 30 minus 31)	XXX	(2,317,119)	(33,487,501)
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401. Pool recoveries - stop loss		0	(54,879)
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	(54,879)
2901. Miscellaneous (expense) income		33,534	60,476
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	33,534	60,476

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	145,079,570	180,201,741
34. Net income or (loss) from Line 32	(2,317,119)	(33,487,501)
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 185	694	187,660
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	185	49,884
39. Change in nonadmitted assets	(31,292,555)	(1,872,214)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	(33,608,795)	(35,122,171)
49. Capital and surplus end of reporting period (Line 33 plus 48)	111,470,775	145,079,570
DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	675,434,836	756,517,862
2. Net investment income	11,370,274	11,616,178
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	686,805,110	768,134,040
5. Benefit and loss related payments	637,096,726	757,281,702
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	71,459,684	109,353,426
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ (1,084,108) tax on capital gains (losses)	(13,495,233)	(9,227,886)
10. Total (Lines 5 through 9)	695,061,177	857,407,242
11. Net cash from operations (Line 4 minus Line 10)	(8,256,067)	(89,273,202)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	155,071,131	64,682,757
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(270)	0
12.7 Miscellaneous proceeds	609,856	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	155,680,717	64,682,757
13. Cost of investments acquired (long-term only):		
13.1 Bonds	137,935,714	76,047,666
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	4,798,035
13.7 Total investments acquired (Lines 13.1 to 13.6)	137,935,714	80,845,701
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	17,745,003	(16,162,944)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	(13,373,953)	87,745,120
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(13,373,953)	87,745,120
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)	(3,885,017)	(17,691,026)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	10,802,737	28,493,763
19.2 End of year (Line 18 plus Line 19.1)	6,917,720	10,802,737

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

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

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	681,726,084	12,588,695					669,137,389			
2. Change in unearned premium reserves and reserve for rate credit	(1,164,630)	(415,726)					(748,904)			
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	680,561,454	12,172,969	0	0	0	0	668,388,485	0	0	0
8. Hospital/medical benefits	448,439,411	5,290,816					443,148,595			XXX
9. Other professional services	30,547,499	441,286					30,106,213			XXX
10. Outside referrals	64,094,045	24,591					64,069,454			XXX
11. Emergency room and out-of-area	26,038,424	1,666,978					24,371,446			XXX
12. Prescription drugs	30,504,587	(315,418)					30,820,005			XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	6,617,574	148,204					6,469,370			XXX
15. Subtotal (Lines 8 to 14)	606,241,540	7,256,457	0	0	0	0	598,985,083	0	0	XXX
16. Net reinsurance recoveries	0									XXX
17. Total medical and hospital (Lines 15 minus 16)	606,241,540	7,256,457	0	0	0	0	598,985,083	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 18,962,082 cost containment expenses	29,558,605	117,442					29,441,163			
20. General administrative expenses	44,949,912	178,597					44,771,315			
21. Increase in reserves for accident and health contracts	6,324,368						6,324,368			XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	687,074,425	7,552,496	0	0	0	0	679,521,929	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	(6,512,971)	4,620,473	0	0	0	0	(11,133,444)	0	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual	190,191			190,191
2. Comprehensive (hospital and medical) group	12,398,504			12,398,504
3. Medicare Supplement				0
4. Dental only				0
5. Vision only				0
6. Federal Employees Health Benefits Plan	0			0
7. Title XVIII - Medicare	669,137,389			669,137,389
8. Title XIX - Medicaid	0			0
9. Credit A&H				0
10. Disability Income				0
11. Long-Term Care				0
12. Other health				0
13. Health subtotal (Lines 1 through 12)	681,726,084	0	0	681,726,084
14. Life	0			0
15. Property/casualty	0			0
16. Totals (Lines 13 to 15)	681,726,084	0	0	681,726,084

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	638,559,839	4,130,450	7,873,866					626,555,523						
1.2 Reinsurance assumed	0													
1.3 Reinsurance ceded	0													
1.4 Net	638,559,839	4,130,450	7,873,866	0	0	0	0	626,555,523	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	(1,463,113)	300,931	103,523					(1,867,567)						
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	79,082,585	272,002	1,467,095	0	0	0	0	77,343,488	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	79,082,585	272,002	1,467,095	0	0	0	0	77,343,488	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	0													
4.2 Reinsurance assumed	0													
4.3 Reinsurance ceded	0													
4.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	34,340,220	73	67,615					34,272,532						
6. Net health care receivables (a)	26,845,673	(1,668,760)	5,763,637					22,750,796						
7. Amounts recoverable from reinsurers December 31, current year	0													
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	91,172,785	4,485,156	(1,944,873)	0	0	0	0	88,632,502	0	0	0	0	0	0
8.2 Reinsurance assumed	0			0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0			0	0	0	0	0	0	0	0	0	0	0
8.4 Net	91,172,785	4,485,156	(1,944,873)	0	0	0	0	88,632,502	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	0													
9.2 Reinsurance assumed	0													
9.3 Reinsurance ceded	0													
9.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	26,259,533	257,703	66,235	0	0	0	0	25,935,595	0				0	
11. Amounts recoverable from reinsurers December 31, prior year	0													
12. Incurred Benefits:														
12.1 Direct	599,623,966	1,586,056	5,522,197	0	0	0	0	592,515,713	0	0	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.4 Net	599,623,966	1,586,056	5,522,197	0	0	0	0	592,515,713	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	6,617,574	43,301	104,903	0	0	0	0	6,469,370	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	22,611,194	271,994	1,059,630	0	0	0	0	21,279,570						
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0						
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0						
1.4 Net	22,611,194	271,994	1,059,630	0	0	0	0	21,279,570	0	0	0	0	0	0
2. Incurred but Unreported:														
2.1 Direct	56,471,391	8	407,465	0	0	0	0	56,063,918						
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0						
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0						
2.4 Net	56,471,391	8	407,465	0	0	0	0	56,063,918	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct	0													
3.2 Reinsurance assumed	0													
3.3 Reinsurance ceded	0													
3.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:														
4.1 Direct	79,082,585	272,002	1,467,095	0	0	0	0	77,343,488	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net	79,082,585	272,002	1,467,095	0	0	0	0	77,343,488	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual	6,377,849	462,394	7	271,995	6,377,856	4,485,156
2. Comprehensive (hospital and medical) group	1,036,648	13,890,071	72,437	1,394,658	1,109,085	(1,944,873)
3. Medicare Supplement					0	0
4. Dental Only					0	0
5. Vision Only					0	0
6. Federal Employees Health Benefits Plan					0	0
7. Title XVIII - Medicare	71,436,178	562,756,391	3,508,226	73,835,262	74,944,404	88,632,502
8. Title XIX - Medicaid					0	0
9. Credit A&H					0	0
10. Disability Income					0	0
11. Long-Term Care					0	0
12. Other health					0	0
13. Health subtotal (Lines 1 to 12)	78,850,675	577,108,856	3,580,670	75,501,915	82,431,345	91,172,785
14. Health care receivables (a)	11,870,324	32,375,041	0	0	11,870,324	0
15. Other non-health	0	0	0	0	0	0
16. Medical incentive pools and bonus amounts	1,382,728	(2,845,841)	30,248,847	4,091,373	31,631,575	26,259,533
17. Totals (Lines 13 - 14 + 15 + 16)	68,363,079	541,887,974	33,829,517	79,593,288	102,192,596	117,432,318

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	52,156	53,030	54,941	55,734	55,734
2. 2018	93,556	102,312	102,405	102,840	102,792
3. 2019	XXX	80,539	90,353	90,127	92,031
4. 2020	XXX	XXX	21,632	22,282	22,391
5. 2021	XXX	XXX	XXX	12,263	12,950
6. 2022	XXX	XXX	XXX	XXX	5,662

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	54,958	56,065	55,393	56,125	55,734
2. 2018	105,347	102,581	102,724	102,851	102,858
3. 2019	XXX	90,465	90,488	90,554	91,982
4. 2020	XXX	XXX	23,887	22,465	22,388
5. 2021	XXX	XXX	XXX	14,115	13,033
6. 2022	XXX	XXX	XXX	XXX	7,372

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	124,461	102,792	6,041	5.9	108,833	87.4	66	0	108,899	87.5
2. 2019	105,315	92,031	3,012	3.3	95,043	90.2	(49)	0	94,994	90.2
3. 2020	39,598	22,391	2,606	11.6	24,997	63.1	(3)	0	24,994	63.1
4. 2021	17,231	12,950	876	6.8	13,826	80.2	83	0	13,909	80.7
5. 2022	12,173	5,662	92	1.6	5,754	47.3	1,710	34	7,498	61.6

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	86,496	84,569	83,036	83,366	83,366
2. 2018	731,613	801,629	805,118	805,242	804,580
3. 2019	XXX	716,294	796,760	798,596	798,810
4. 2020	XXX	XXX	676,920	776,195	773,768
5. 2021	XXX	XXX	XXX	638,685	707,271
6. 2022	XXX	XXX	XXX	XXX	536,226

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	87,277	86,398	83,127	83,368	83,366
2. 2018	810,358	803,953	806,681	809,772	809,066
3. 2019	XXX	794,665	803,457	807,165	807,292
4. 2020	XXX	XXX	809,537	788,424	788,496
5. 2021	XXX	XXX	XXX	727,923	713,308
6. 2022	XXX	XXX	XXX	XXX	614,109

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	867,320	804,580	36,578	4.5	841,158	97.0	4,486	0	845,644	97.5
2. 2019	871,982	798,810	46,981	5.9	845,791	97.0	8,482	0	854,273	98.0
3. 2020	912,811	773,768	50,340	6.5	824,108	90.3	14,728	20	838,856	91.9
4. 2021	737,982	707,271	42,574	6.0	749,845	101.6	6,036	71	755,952	102.4
5. 2022	668,388	536,226	25,290	4.7	561,516	84.0	77,883	1,919	641,318	95.9

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	1	1	1	1	1
2. 2018	244	256	256	256	256
3. 2019	XXX	251	258	258	258
4. 2020	XXX	XXX	79	79	79
5. 2021	XXX	XXX	XXX	0	0
6. 2022	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Other

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 2018	2 2019	3 2020	4 2021	5 2022
1. Prior	1	1	1	1	1
2. 2018	253	257	256	256	256
3. 2019	XXX	255	258	258	258
4. 2020	XXX	XXX	81	79	79
5. 2021	XXX	XXX	XXX	0	0
6. 2022	XXX	XXX	XXX	XXX	0

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	313	256	3	1.2	259	82.7	0	0	259	82.7
2. 2019	294	258	2	0.8	260	88.4	0	0	260	88.4
3. 2020	58	79	1	1.3	80	137.9	0	0	80	137.9
4. 2021	0	0	0	0.0	0	0.0	0	0	0	0.0
5. 2022	0	0	0	0.0	0	0.0	0	0	0	0.0

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior	138,653	137,600	137,978	139,101	139,101
2.	2018	825,413	904,197	907,779	908,338	907,628
3.	2019	XXX	797,084	887,371	888,981	891,099
4.	2020	XXX	XXX	698,631	798,556	796,238
5.	2021	XXX	XXX	XXX	650,948	720,221
6.	2022	XXX	XXX	XXX	XXX	541,888

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2018	2 2019	3 2020	4 2021	5 2022
1.	Prior	142,236	142,464	138,521	139,494	139,101
2.	2018	915,958	906,791	909,661	912,879	912,180
3.	2019	XXX	885,385	894,203	897,977	899,532
4.	2020	XXX	XXX	833,505	810,968	810,963
5.	2021	XXX	XXX	XXX	742,038	726,341
6.	2022	XXX	XXX	XXX	XXX	621,481

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2018	992,094	907,628	42,622	4.7	950,250	95.8	4,552	0	954,802	96.2
2. 2019	977,591	891,099	49,995	5.6	941,094	96.3	8,433	0	949,527	97.1
3. 2020	952,467	796,238	52,947	6.6	849,185	89.2	14,725	20	863,930	90.7
4. 2021	755,213	720,221	43,450	6.0	763,671	101.1	6,119	71	769,861	101.9
5. 2022	680,561	541,888	25,382	4.7	567,270	83.4	79,593	1,953	648,816	95.3

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ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Dental Only	6 Vision Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves	0												
2. Additional policy reserves (a)	6,324,368							6,324,368					
3. Reserve for future contingent benefits	0												
4. Reserve for rate credits or experience rating refunds (including \$ for investment income) ..	1,095,335	51,406	364,321					679,608					
5. Aggregate write-ins for other policy reserves	2,282,008	2,255	(241)	0	0	0	0	2,279,994	0	0	0	0	0
6. Totals (gross)	9,701,711	53,661	364,080	0	0	0	0	9,283,970	0	0	0	0	0
7. Reinsurance ceded	0												
8. Totals (Net)(Page 3, Line 4)	9,701,711	53,661	364,080	0	0	0	0	9,283,970	0	0	0	0	0
9. Present value of amounts not yet due on claims	0												
10. Reserve for future contingent benefits	0												
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0												
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. Risk adjustment redetermination	2,282,008	2,255	(241)					2,279,994					
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	2,282,008	2,255	(241)	0	0	0	0	2,279,994	0	0	0	0	0
1101.													
1102.													
1103.													
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

(a) Includes \$6,324,368 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ for occupancy of own building)	357,206	241,182	(74,472)		523,916
2. Salary, wages and other benefits	13,327,618	5,159,558	10,453,458		28,940,634
3. Commissions (less \$ ceded plus \$ assumed)	0		9,664,210		9,664,210
4. Legal fees and expenses	36,501	4,276	879,326		920,103
5. Certifications and accreditation fees	0		0		0
6. Auditing, actuarial and other consulting services ...	1,333,350	711,872	1,756,977		3,802,199
7. Traveling expenses	12,519	3,415	105,488		121,422
8. Marketing and advertising	36,120	76,818	8,232,458		8,345,396
9. Postage, express and telephone	159,875	149,752	1,412,825		1,722,452
10. Printing and office supplies	58,601	9,867	1,002,463		1,070,931
11. Occupancy, depreciation and amortization	0		0		0
12. Equipment	240	658	100,879		101,777
13. Cost or depreciation of EDP equipment and software	117,160	104,128	710,966		932,254
14. Outsourced services including EDP, claims, and other services	2,087,244	1,977,178	9,360,495		13,424,917
15. Boards, bureaus and association fees	1,764	(34)	64,625		66,355
16. Insurance, except on real estate	0		126,684		126,684
17. Collection and bank service charges	6		37,344		37,350
18. Group service and administration fees	139,188	54,613	(19,430)		174,371
19. Reimbursements by uninsured plans	0		0		0
20. Reimbursements from fiscal intermediaries	0		0		0
21. Real estate expenses	29,996	3,220	232,964		266,180
22. Real estate taxes	0		30,089		30,089
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0		821,798		821,798
23.2 State premium taxes	0		263,182		263,182
23.3 Regulatory authority licenses and fees	3,001	1,005	417,964		421,970
23.4 Payroll taxes	800,776	323,240	625,947		1,749,963
23.5 Other (excluding federal income and real estate taxes)	0		(62,363)		(62,363)
24. Investment expenses not included elsewhere	0		0	285,426	285,426
25. Aggregate write-ins for expenses	460,917	1,775,775	(1,193,965)	0	1,042,727
26. Total expenses incurred (Lines 1 to 25)	18,962,082	10,596,523	44,949,912	285,426	(a) 74,793,943
27. Less expenses unpaid December 31, current year		2,044,182	386,988		2,431,170
28. Add expenses unpaid December 31, prior year		2,186,844	835,566		3,022,410
29. Amounts receivable relating to uninsured plans, prior year			2,958,744		2,958,744
30. Amounts receivable relating to uninsured plans, current year			3,809,008		3,809,008
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	18,962,082	10,739,185	46,248,754	285,426	76,235,447
DETAILS OF WRITE-INS					
2501. Pharmacy admin fees		1,700,489			1,700,489
2502. Miscellaneous expenses	460,917	75,286	(1,193,965)		(657,762)
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	460,917	1,775,775	(1,193,965)	0	1,042,727

(a) Includes management fees of \$ 56,351,632 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 68,073	71,827
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 8,450,696	8,352,511
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		0
2.21 Common stocks of affiliates		0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract Loans		0
6. Cash, cash equivalents and short-term investments	(e) 116,731	116,731
7. Derivative instruments	(f) 0	0
8. Other invested assets		0
9. Aggregate write-ins for investment income	114,264	116,497
10. Total gross investment income	8,749,764	8,657,566
11. Investment expenses		(g) 285,426
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		285,426
17. Net investment income (Line 10 minus Line 16)		8,372,140
DETAILS OF WRITE-INS		
0901. Miscellaneous Income	82,524	82,524
0902. Securities Lending	31,740	33,973
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	114,264	116,497
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 201,657 accrual of discount less \$ 3,127,785 amortization of premium and less \$ 603,524 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 \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ 4,942 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 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	(7,064)	0	(7,064)	0	0
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(5,296,677)	0	(5,296,677)	879	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans			0	0	0
4. Real estate			0	0	0
5. Contract loans			0	0	0
6. Cash, cash equivalents and short-term investments	(270)		(270)		
7. Derivative instruments			0		
8. Other invested assets		0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(5,304,011)	0	(5,304,011)	879	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1	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)		597,040	597,040
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	597,040	597,040
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	1,629,588	1,716,320	86,732
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans	3,418,727	113,532	(3,305,195)
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset			0
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets	2,289,412		(2,289,412)
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	38,649,158	11,607,052	(27,042,106)
25. Aggregate write-ins for other than invested assets	95,879	756,265	660,386
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	46,082,764	14,790,209	(31,292,555)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	46,082,764	14,790,209	(31,292,555)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Blue Card program receivables	25,055	250,938	225,883
2502. Miscellaneous receivables	5,466	112,175	106,709
2503. Prepaid expenses	65,358	393,152	327,794
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	95,879	756,265	660,386

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	54,424	48,113	46,283	44,746	43,704	555,166
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service	1,461	1,112	1,107	1,110	1,115	13,354
5. Indemnity Only						
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total	55,885	49,225	47,390	45,856	44,819	568,520
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern**A. Accounting Practices**

The accompanying financial statements of Empire HealthChoice HMO, Inc. (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* (“NAIC SAP”), subject to any deviations prescribed or permitted by the New York State Department of Financial Services (the “Department”). The Department has adopted accounting policies found in NAIC SAP as a component of prescribed accounting practices. Additionally, the Department has adopted certain prescribed accounting practices that differ from those found in NAIC SAP, which impact the Company, specifically 1) overdue premiums (in excess of 90 days) from state and local governments or any of its instrumentalities shall be admitted assets; in NAIC SAP, premiums over 90 days due are non-admitted; 2) certain estimated market stabilization reinsurance/pooling recoverables, stop-loss recoverables, and reinsurance recoverables are admitted assets; in NAIC SAP, these recoverables are admitted only upon notification of the refund; and 3) prepaid broker commissions are admitted assets; in NAIC SAP, prepaid broker commissions are nonadmitted assets. The Department has the right to permit other specific practices that deviate from prescribed practices. The Company has employed no permitted practices in preparing the accompanying statutory-basis financial statements.

A reconciliation of the Company’s net income (loss) and capital and surplus between NAIC SAP and practices prescribed and permitted by the Department is shown below:

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2022</u>	<u>2021</u>
<u>Net Income</u>					
(1) Empire HealthChoice HMO, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$ (2,317,119)</u>	<u>\$ (33,487,501)</u>
(2) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:	<u> </u>	<u> </u>	<u> </u>	<u> —</u>	<u> —</u>
(3) State Permitted Practices that is an increase/(decrease) from NAIC SAP:	<u> </u>	<u> </u>	<u> </u>	<u> —</u>	<u> —</u>
(4) NAIC SAP (1-2-3=4)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$ (2,317,119)</u>	<u>\$ (33,487,501)</u>
<u>Surplus</u>					
(5) Empire HealthChoice HMO, Inc. state basis (Page 3, Line 33, Columns 3 & 4)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$111,470,775</u>	<u>\$145,079,570</u>
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:					
Prepaid Brokers’ Commissions	29	2	25	1,623,739	148,336
Overdue local government premiums	6	2	15.1	339,682	339,682
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:	<u> </u>	<u> </u>	<u> </u>	<u> —</u>	<u> —</u>
(8) NAIC SAP (5-6-7=8)	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>\$109,507,354</u>	<u>\$144,591,552</u>

NOTES TO FINANCIAL STATEMENTS

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

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policies

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of excess loss reinsurance ceded and experience rating refunds. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed by pro rata methods for direct business and based on reports received from ceding companies for reinsurance. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Department. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, including underwriting expenses, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) The Company has no investments in common stocks of unaffiliated companies.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no mortgage loans - real estate.
- (6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no derivative instruments.
- (10) The Company recognizes losses from other-than-temporary impairments (“OTTI”) of investments in accordance with Statements of Standard Accounting Practice (“SSAP”) No. 26R, *Bonds*; and SSAP No. 30, *Common Stock*; and SSAP No. 32R, *Preferred Stock*.
- (11) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (12) Unpaid claims and claims adjustment expenses include management’s best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while

NOTES TO FINANCIAL STATEMENTS

management believes such estimates are reasonable, 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 liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.

(13) The Company has not modified its capitalization policy from the prior period.

(14) Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.

D. Going Concern

Not applicable.

2. Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2022 and 2021.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable.

B. Statutory Merger

Not applicable.

C. Assumption Reinsurance

Not applicable.

D. Impairment Loss

Not applicable.

E. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2022 or 2021.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2022 or 2021.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2022 or 2021.

NOTES TO FINANCIAL STATEMENTS

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2022 or 2021.

D. Loan-Backed Securities

(1) Prepayment assumptions for single-class and multi-class mortgage-backed and asset-backed securities were obtained from broker-dealer survey values or internal estimates. The Company used various third-party pricing sources in determining the market value of its loan-backed securities.

(2) The Company did not recognize OTTI on its loan-backed securities during the years ended December 31, 2022 and 2021.

(3) The Company did not recognize OTTI on its loan-backed securities at December 31, 2022 and 2021.

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$	(1,618,348)
2. 12 Months or Longer	\$	(3,855,860)

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

1. Less than 12 Months	\$	22,632,189
2. 12 Months or Longer	\$	25,998,945

(5) The Company's bond portfolio is sensitive to interest rate fluctuations, which impact the fair value of individual securities. Unrealized losses on bonds were primarily caused by the effects of the interest rate environment and the widening of credit spreads on certain securities. The Company currently has the ability and intent to hold these securities until their full cost can be recovered. Therefore, the Company does not believe the unrealized losses represent an OTTI at December 31, 2022 or 2021.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The Company did not enter into repurchase agreements at December 31, 2022 or 2021.

(2) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers based on, among other things, their creditworthiness in exchange for collateral initially equal to at least 102% of the market value of the loaned securities. The Company receives the collateral in cash or securities, and if cash is received the cash collateral is thereafter invested according to guidelines of the Company's Investment Policy.

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

a. Aggregate amount collateral received

	<u>Fair Value</u>
1. Securities Lending	
(a) Open	\$ 14,426,182
(b) 30 days or less	—
(c) 31 to 60 days	—
(d) 61 to 90 days	—
(e) Greater than 90 days	—
(f) Sub-total	<u>\$ 14,426,182</u>
(g) Securities received	<u>147,868</u>
(h) Total collateral received	<u><u>\$ 14,574,050</u></u>

2. Dollar repurchase agreement - Not applicable.

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged \$ 14,574,050

c. The Company receives cash collateral in an amount in excess of fair value of the securities lent. The Company reinvests the cash collateral according to guidelines of the Company's Investment Policy.

(4) The Company does not have any securities lending transactions administered by an affiliated agent.

(5) Collateral Reinvestment

a. Aggregate amount collateral reinvested

	<u>Amortized Cost</u>	<u>Fair Value</u>
1. Securities Lending		
(a) Open	\$ —	\$ —
(b) 30 days or less	4,556,678	4,558,062
(c) 31 to 60 days	5,376,722	5,376,884
(d) 61 to 90 days	1,443,989	1,444,283
(e) 91 to 120 days	850,665	851,127
(f) 121 to 180 days	1,155,866	1,156,081
(g) 181 to 365 days	1,038,980	1,039,745
(h) 1 to 2 years	—	—
(i) 2 to 3 years	—	—
(j) Greater than 3 years	—	—
(k) Sub-total	<u>\$ 14,422,900</u>	<u>\$ 14,426,182</u>
(l) Securities received	<u>147,868</u>	<u>147,868</u>
(m) Total collateral reinvested	<u><u>\$ 14,570,768</u></u>	<u><u>\$ 14,574,050</u></u>

2. Dollar repurchase agreement - Not applicable.

b. Not applicable.

(6) Not applicable.

(7) Not applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into repurchase agreement transactions accounted for as secured borrowing at December 31, 2022 or 2021.

NOTES TO FINANCIAL STATEMENTS

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2022 or 2021.

H. Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into repurchase agreement transactions accounted for as a sale at December 31, 2022 or 2021.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into reverse repurchase agreement transactions accounted for as a sale at December 31, 2022 or 2021.

J. Real Estate

The Company did not have investments in real estate and did not engage in retail land sales operations during 2022 or 2021.

K. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2022 or 2021.

NOTES TO FINANCIAL STATEMENTS

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 (1 minus 4)	Gross Admitted and Nonadmitted Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ —	\$ —	\$ —	\$ —	\$ —	0.00 %	0.00 %
b. Collateral held under security lending agreements	14,570,768	15,180,624	(609,856)	—	14,570,768	3.47 %	3.90 %
c. Subject to repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
d. Subject to reverse repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
e. Subject to dollar repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
f. Subject to dollar reverse repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
g. Placed under option contracts	—	—	—	—	—	0.00 %	0.00 %
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock	—	—	—	—	—	0.00 %	0.00 %
i. FHLB capital stock	—	—	—	—	—	0.00 %	0.00 %
j. On deposit with states	48,991,820	55,121,503	(6,129,683)	—	48,991,820	11.68 %	13.13 %
k. On deposit with other regulatory bodies	—	—	—	—	—	0.00 %	0.00 %
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	—	0.00 %	0.00 %
m. Pledged as collateral not captured in other categories	—	—	—	—	—	0.00 %	0.00 %
n. Other restricted assets	—	—	—	—	—	0.00 %	0.00 %
o. Total Restricted Assets	\$ 63,562,588	\$ 70,302,127	\$ (6,739,539)	\$ —	\$ 63,562,588	15.15 %	17.03 %

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

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

(2) Not applicable.

(3) Not applicable.

NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1	2	3	4
	Book/ Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted *)	% of BACV to Total Admitted Assets **
a. Cash	\$ —	\$ —	— %	— %
b. Schedule D, Part 1	—	—	—	—
c. Schedule D, Part 2 Section 1	—	—	—	—
d. Schedule D, Part 2 Section 2	—	—	—	—
e. Schedule B	—	—	—	—
f. Schedule A	—	—	—	—
g. Schedule BA, Part 1	—	—	—	—
h. Schedule DL, Part 1	14,570,769	14,574,050	3.47 %	3.90 %
i. Other	—	—	—	—
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 14,570,769	\$ 14,574,050	3.47 %	3.90 %

* Column 1 divided by Asset Page, Line 26 (Column 1)

** Column 1 divided by Asset Page, Line 26 (Column 3)

	<u>1</u>	<u>2</u>
	<u>Amount</u>	<u>% of Liability to Total Liabilities *</u>
k. Recognized Obligation to Return Collateral Asset	\$ 14,570,769	5.57 %

* Column 1 divided by Liability Page, Line 24 (Column 3)

M. Working Capital Finance Investments

The Company did not have any working capital finance investments at December 31, 2022 and 2021.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2022 and 2021.

O. 5GI Securities

The Company has no 5GI Securities as of December 31, 2022 and 2021.

P. Short Sales

The Company did not have any short sales at December 31, 2022 and 2021.

Q. Prepayment Penalty and Acceleration Fees

	General Account
(1) Number of CUSIPs	6
(2) Aggregate Amount of Investment Income \$	181,001

R. Reporting Entity's Share of Cash Pool by Asset Type

The Company did not participate in a cash pool at December 31, 2022 or 2021.

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in joint ventures, partnerships or LLCs.

B. Not applicable.

7. Investment Income

A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.

B. At December 31, 2022 and 2021 there was no nonadmitted accrued investment income.

8. Derivative Instruments

The Company has no derivative instruments.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of net deferred tax assets (liabilities):

(1) The components of net deferred tax asset (liabilities) are as follows:

	12/31/2022		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 11,498,508	\$ 3,075	\$ 11,501,583
(b) Statutory Valuation Allowance Adjustments	11,494,286	3,075	11,497,361
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	4,222	—	4,222
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	4,222	—	4,222
(f) Deferred Tax Liabilities	4,222	—	4,222
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ —	\$ —	\$ —

	12/31/2021		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 4,061,024	\$ 28,462	\$ 4,089,486
(b) Statutory Valuation Allowance Adjustments	4,052,809	28,462	4,081,271
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	8,215	—	8,215
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	8,215	—	8,215
(f) Deferred Tax Liabilities	8,215	—	8,215
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ —	\$ —	\$ —

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 7,437,484	\$ (25,387)	\$ 7,412,097
(b) Statutory Valuation Allowance Adjustments	7,441,477	(25,387)	7,416,090
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	(3,993)	—	(3,993)
(d) Deferred Tax Assets Nonadmitted	—	—	—
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	(3,993)	—	(3,993)
(f) Deferred Tax Liabilities	(3,993)	—	(3,993)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ —	\$ —	\$ —

NOTES TO FINANCIAL STATEMENTS

- (2) The amount of admitted adjusted gross deferred tax assets under each component of SSAP No. 101, *Income Taxes* (“SSAP No. 101”) are as follows:

12/31/2022		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$	—	\$	—	\$	—
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)		—		—		—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.		—		—		—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.		XXX		XXX		16,720,616
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.		4,222		—		4,222
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$	4,222	\$	—	\$	4,222

12/31/2021		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$	—	\$	—	\$	—
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)		—		—		—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.		—		—		—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.		XXX		XXX		21,851,491
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.		8,215		—		8,215
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$	8,215	\$	—	\$	8,215

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$	—	\$	—	\$	—
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)		—		—		—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.		—		—		—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.		XXX		XXX		(5,130,875)
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.		(3,993)		—		(3,993)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$	(3,993)	\$	—	\$	(3,993)

NOTES TO FINANCIAL STATEMENTS

(3)	2022	2021
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	461.99 %	496.59 %
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 111,470,775	\$ 145,079,570

(4)	12/31/2022		12/31/2021		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col 1-3) Ordinary	(Col 2-4) Capital

Impact of Tax-Planning Strategies

(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 4,222	\$ —	\$ 8,215	\$ —	\$ (3,993)	\$ —
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	\$ 4,222	\$ —	\$ 8,215	\$ —	\$ (3,993)	\$ —
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %

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

B. The Company has no unrecognized deferred tax liabilities at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

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

	(1)	(2)	(Col 1-2)
	12/31/2022	12/31/2021	Change
(1) Current Income Tax			
(a) Federal	\$ (400,226)	\$ (13,964,485)	\$ 13,564,259
(b) Foreign	—	—	—
(c) Subtotal	(400,226)	(13,964,485)	13,564,259
(d) Federal income tax expense on net capital gains	(1,084,108)	223,747	(1,307,855)
(e) Utilization of capital loss carry-forwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	<u>\$ (1,484,334)</u>	<u>\$ (13,740,738)</u>	<u>\$ 12,256,404</u>
(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 229,803	\$ 235,534	\$ (5,731)
(2) Unearned premium reserve	16,537	24,272	(7,735)
(3) Policyholder reserves	441,000	504,000	(63,000)
(4) Investments	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	76,184	—	76,184
(8) Compensation and benefits accrual	—	—	—
(9) Pension accrual	—	—	—
(10) Receivables - nonadmitted	9,025,988	2,851,591	6,174,397
(11) Net operating loss carry-forward	—	—	—
(12) Tax credit carry-forward	—	—	—
(13) Other	1,708,996	445,627	1,263,369
(99) Subtotal (sum of 2a1 through 2a13)	11,498,508	4,061,024	7,437,484
(b) Statutory valuation allowance adjustment	11,494,286	4,052,809	7,441,477
(c) Nonadmitted	—	—	—
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	4,222	8,215	(3,993)
(e) Capital			
(1) Investments	3,075	28,462	(25,387)
(2) Net capital loss carry-forward	—	—	—
(3) Real estate	—	—	—
(4) Other	—	—	—
(99) Subtotal (2e1+2e2+2e3+2e4)	3,075	28,462	(25,387)
(f) Statutory valuation allowance adjustment	3,075	28,462	(25,387)
(g) Nonadmitted	—	—	—
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	—	—
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 4,222</u>	<u>\$ 8,215</u>	<u>\$ (3,993)</u>
(3) Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$ —	\$ —	\$ —
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholder reserves	—	—	—
(5) Other	4,222	8,215	(3,993)
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	4,222	8,215	(3,993)
(b) Capital			
(1) Investments	—	—	—
(2) Real estate	—	—	—
(3) Other	—	—	—
(99) Subtotal (3b1+3b2+3b3)	—	—	—
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 4,222</u>	<u>\$ 8,215</u>	<u>\$ (3,993)</u>
(4) Net deferred tax assets/liabilities (2i - 3c)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

NOTES TO FINANCIAL STATEMENTS

- D.** The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 21% for the year ended December 31 as follows:

	<u>2022</u>	<u>2021</u>
Tax expense computed using federal statutory rate	\$ (798,305)	\$ (9,917,930)
Change in nonadmitted assets	(6,696,815)	(267,787)
Tax exempt income and dividend received deduction net of proration	(582,243)	(516,225)
Prior year true-up and adjustments	(1,379,933)	9
Tax settlements and contingencies	555,638	—
Valuation allowance	7,416,090	(3,090,935)
Other, net	1,050	2,246
Total	<u>\$ (1,484,518)</u>	<u>\$ (13,790,622)</u>
Federal income taxes incurred	\$ (1,484,333)	\$ (13,740,738)
Change in net deferred income taxes	(185)	(49,884)
Total statutory income taxes	<u>\$ (1,484,518)</u>	<u>\$ (13,790,622)</u>

E. Operating loss carryforwards:

- (1) The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2022 or 2021.
- (2) The Company has no federal income taxes available for recoupment.
- (3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2022 and 2021.

- F.** The following companies will be included in the consolidated federal income tax return with their parent Elevance Health, Inc. ("Elevance Health") as of December 31, 2022 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

Alliance Care Management, LLC	DeCare Dental Networks, LLC
American Imaging Management, Inc.	DeCare Dental, LLC
America's 1st Choice of South Carolina, Inc.	Designated Agent Company, Inc.
AMERIGROUP Community Care of New Mexico, Inc.	EHC Benefits Agency, Inc.
AMERIGROUP Corporation	Elevance Health Inc
Amerigroup Delaware, Inc.	Empire HealthChoice Assurance, Inc.
Amerigroup District of Columbia, Inc.	Empire HealthChoice HMO, Inc.
Amerigroup Insurance Company	Federal Government Solutions, LLC
AMERIGROUP Iowa, Inc.	FHC Health Systems, Inc.
AMERIGROUP Maryland, Inc.	Freedom Health, Inc.
Amerigroup Mississippi, Inc.	Freedom SPV, Inc.
AMERIGROUP New Jersey, Inc.	Golden West Health Plan, Inc.
AMERIGROUP Ohio, Inc.	Health Core, Inc.
Amerigroup Oklahoma, Inc.	Health Management Corporation
Amerigroup Pennsylvania, Inc.	Healthkeepers, Inc.
AMERIGROUP Tennessee, Inc.	HealthLink HMO, Inc.
AMERIGROUP Texas, Inc.	HealthLink, Inc.

NOTES TO FINANCIAL STATEMENTS

AMERIGROUP Washington, Inc.	HealthPlus HP, LLC
AMGP Georgia Managed Care Company, Inc.	HealthSun Health Plan, Inc.
Anthem Blue Cross Life and Health Insurance Company	Healthy Alliance Life Insurance Company
Anthem Financial, Inc.	HEP AP Holdings, Inc.
Anthem Health Plans of Kentucky, Inc.	HMO Colorado, Inc.
Anthem Health Plans of Maine, Inc.	HMO Missouri, Inc.
Anthem Health Plans of New Hampshire, Inc.	IEC Group Holdings, Inc.
Anthem Health Plans of Virginia, Inc.	IEC Group, Inc. d/b/a AmeriBen
Anthem Health Plans, Inc.	Imaging Management Holdings, LLC
Anthem Holding Corp.	IngenioRx, Inc.
Anthem Insurance Companies, Inc.	Integra MLTC, Inc.
Anthem Kentucky Managed Care Plan, Inc.	Legato Health Technologies U.S., Inc.
Anthem Southeast, Inc.	Living Complete Technologies, Inc.
Anthem UM Services, Inc.	Massachusetts Behavioral Health Partnership
APR, LLC	Matthew Thornton Health Plan, Inc.
Arcus Enterprises, Inc.	Missouri Care, Incorporated
Aspire Health, Inc.	myNEXUS Holdings, Inc.
Associated Group, Inc.	myNEXUS, Inc.
Beacon Health Financing, LLC	myNEXUS Management, Inc.
Beacon Health Options Care Services, Inc.	Nash Holding Company, LLC
Beacon Health Options Holdco, Inc.	National Government Services, Inc.
Beacon Health Options, Inc.	New England Research Institutes, Inc.
Beacon Health Options of California, Inc.	Optimum Healthcare, Inc.
Beacon Health Options of Pennsylvania, Inc.	OPTIONS Health Care, Inc.
Beacon Health Vista Parent, Inc.	Park Square Holdings, Inc.
BHS IPA, LLC	Park Square I, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	Park Square II, Inc.
Blue Cross Blue Shield of Wisconsin	Resolution Health, Inc.
Blue Cross of California	RightCHOICE Managed Care, Inc.
Blue Cross of California Partnership Plan, Inc.	Rocky Mountain Hospital and Medical Service, Inc.
Carelon Digital Platforms, Inc.	SellCore, Inc.
Carelon Holdings, Inc.	Simply Healthcare Plans, Inc.
Carelon Holdings I, Inc.	Southeast Services, Inc.
Carelon Insights, Inc.	State Sponsored Services, Inc.
Carelon PharmacyRx, Inc.	The Elevance Health Companies, Inc.
CareMore Health IPA of New York, Inc.	The Elevance Health Companies of California, Inc.
CareMore Health of Arizona, Inc.	TrustSolutions, LLC
CareMore Health Plan	UNICARE Health Plan of West Virginia, Inc.
CareMore Health Plan of Arizona, Inc.	UNICARE Illinois Services, Inc.
CareMore Health Plan of Nevada, Inc.	UNICARE Life & Health Insurance Company
CareMore Health Plan of Texas, Inc.	UNICARE National Services, Inc.
CareMore Health System	UNICARE Specialty Services, Inc.
Cerulean Companies, Inc.	ValueOptions Federal Services, Inc.
CHCS IPA, Inc.	ValueOptions of New Jersey, Inc.
Claim Management Services, Inc.	ValueOptions Texas, Inc.
Community Care Health Plan of Kansas, Inc.	WellPoint California Services, Inc.
Community Care Health Plan of Nebraska, Inc.	WellPoint Dental Services, Inc.
Community Care Health Plan of Nevada, Inc.	WellPoint Health Solutions, Inc.
Community Insurance Company	WellPoint Holding Corporation
Compcare Health Services Insurance Corporation	WellPoint Information Technology Services, Inc.
Crossroads Acquisition Corp.	WellPoint Insurance Services, Inc.
DeCare Analytics, LLC	WellPoint Military Care Corporation
DeCare Dental Health International, LLC	Wisconsin Collaborative Insurance Company

G. Not applicable.

NOTES TO FINANCIAL STATEMENTS

H. Repatriation Transition Tax (RTT)

Not applicable.

I. Alternative Minimum Tax (AMT) Credit

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act which includes a new corporate alternative minimum tax (the "Corporate AMT") of 15% on the adjusted financial statement of income ("AFSI") of corporations with average AFSI exceeding \$1.0 billion over a three-year period. The Corporate AMT is effective beginning after December 31, 2022. The controlled group of corporations, of which the Company is a member, has determined it is an applicable corporation for purposes of determining if the Corporate AMT exceeds the regular federal income tax payable. The controlled group has determined that it does not expect to be subject to the Corporate AMT in 2023. The Company has determined that it would not be an applicable corporation on a stand-alone basis, therefore it does not expect to be subject to the Corporate AMT in 2023.

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

The Company is a New York domiciled stock health maintenance organization ("HMO") and is a wholly-owned subsidiary of Empire HealthChoice Assurance, Inc. ("EHCA"), which is an indirect wholly-owned subsidiary of Elevance Health, a publicly traded company. The shareholders of Elevance Health approved a proposal to amend its articles of incorporation to change the name to Elevance Health, Inc. from Anthem, Inc. The name change was effective June 27, 2022.

B. Significant Transactions for Each Period

There were no significant transactions during the years ended December 31, 2022 and 2021.

For changes to the intercompany management and service arrangements see Note 10E. The amounts of transactions under such agreements are presented in Schedule Y, Part 2.

C. Transactions with Related Parties who are not Reported on Schedule Y

The Company has no transactions with related parties who are not reported on Schedule Y.

D. Amounts Due to or from Related Parties

At December 31, 2022 and 2021, the Company reported no amounts due from affiliates. At December 31, 2022 and 2021, the Company reported \$115,887,507 and \$139,337,162 due to affiliates, respectively. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

Following is a summary of transactions between the Company and various affiliates during the years:

	2022	2021
The Anthem Companies, Inc.		
Medical Management	\$ 9,243,317	\$ 15,364,901
MIS-IT	2,201,543	2,864,816
Sales	2,449,587	5,812,146
Customer Service	4,293,472	4,663,027
Claims	325,397	877,391
Provider Network	1,248,642	1,474,335

NOTES TO FINANCIAL STATEMENTS

Enrollment and Billing	579,887	743,073
Operations Support	1,935,538	1,844,000
Finance	351,874	515,381
Decision Support	399,507	544,513
Underwriting	8,757	14,293
Legal and Compliance	496,613	648,025
Human Resources	249,022	371,616
Marketing	1,113,266	1,225,013
General Management	203,849	147,453
Product Development and Management	196,133	291,946
Planning	84,478	52,808
General Administration	479,476	187,835
Other	632,436	911,890
Total	\$ 26,492,794	\$ 38,554,462
Elevance Health, Inc.		
MIS-IT	\$ 2,455,285	\$ 2,980,889
Medical Management	6,762,031	10,031,409
General Management	632,711	826,050
Print Mail	444,691	598,171
Customer Service	1,879,789	2,426,094
Marketing	4,936,825	7,746,361
Legal and Compliance	869,336	943,071
Provider Network	297,732	435,791
Sales	6,965,313	9,707,262
Claims	267,870	(31,498)
Enrollment and Billing	265,011	265,164
General Administration	152,701	(174,396)
Finance	58,038	87,111
Product Development & Management	25,373	27,846
Operations Support	7,784,323	7,842,587
External Affairs	89,690	109,159
Decision Support	40,818	58,158
Other	889,100	1,274,681
Total	\$ 34,816,637	\$ 45,153,910
WellPoint Information Technology Services, Inc.		
MIS-IT	\$ 1,167,505	\$ 1,036,658
Other	1,932	830
Total	\$ 1,169,437	\$ 1,037,488
Legato Health Technologies, LLC		
MIS-IT	\$ 4,167	\$ 48,326
Total	\$ 4,167	\$ 48,326
Costs allocated from other Elevance Health, Inc. affiliates not listed above		
Medical Management	\$ (7,010,040)	\$ (5,178,394)
General Administration	(1,461)	(193,140)
Provider Network	4,535	8,050
MIS-IT	9,738	53,836
Finance	21,163	30,449
External Affairs	7,280	5,945
Product Development and Management	2,633	5,795
Claims	443,085	561,278
General Management	14,922	68,145
Decision Support	1,147	8,920
Credentialing	114	131
Marketing	23,199	23,175
Customer Service	351	1,659
Print Mail	2,396	350
Legal and Compliance	3,039	3,948
Clinical Health Policy	259	27,429
Human Resources	27,660	26,255
Sales	38,795	359,944
Planning	245	155
Actuarial Valuation	317	388
Operations Support	255,310	337,398
Other	23,910	7,925
Total	\$ (6,131,403)	\$ (3,840,359)

NOTES TO FINANCIAL STATEMENTS

Net Costs Allocated to the Company	\$	56,351,632	\$	80,953,827
Federal Tax Payments to Elevance Health, Inc.		165,915		(9,227,886)
Total Schedule Y, Part 2, Column 8	\$	<u>56,517,547</u>	\$	<u>71,725,941</u>

E. Management and Service Contracts and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs include expenses such as salaries, employee benefits, information technology, pharmacy benefits administration, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which support the Company's operations. These costs are allocated based on various utilization statistics.

F. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

G. Nature of Control Relationships that Could Affect Operations or Financial Position

EHCA owns all outstanding shares of the Company. The Company's ultimate parent is Elevance Health.

H. Amount Deducted for Investment in Upstream Company

The Company does not own shares of upstream intermediate entities or Elevance Health.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

At December 31, 2022 and 2021, the Company did not have investments in affiliates.

J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated ("SCA") Companies

Not applicable.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investment in Downstream Non-insurance Holding Companies

The Company does not have investments in downstream non-insurance holding companies.

M. All SCA Investments

The Company has no SCA Investments.

N. Investment in Insurance SCAs

The Company does not have investments in Insurance SCAs.

NOTES TO FINANCIAL STATEMENTS

O. SCA or SSAP 48 Entity Loss Tracking

The Company does not have losses on investments in Insurance SCAs and/or joint ventures, partnerships or LLCs.

11. Debt

A. Capital Notes and Other Debt

The Company had no capital notes or other debt outstanding at December 31, 2022 and 2021.

B. FHLB (Federal Home Loan Bank) Agreements

The Company had no FHLB agreements outstanding at December 31, 2022 and 2021.

C. All Other Debt

The Company had no other debt outstanding at December 31, 2022 and 2021.

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

A. Defined Benefit Plan

Not applicable - See Note 12G.

B. Not applicable - See Note 12G.

C. Not applicable - See Note 12G.

D. Not applicable - See Note 12G.

E. Defined Contribution Plans

Not applicable - See Note 12G.

F. Multiemployer Plans

The Company does not participate in a multiemployer plan.

G. Consolidated/Holding Company Plans

The Company participates in frozen non-contributory defined benefit pension plans sponsored by ATH Holding Company, LLC (“ATH Holding”), covering most employees of Elevance Health and its subsidiaries. ATH Holding allocates a share of the total accumulated costs of the plans to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under these plans.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding, providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

The Company participates in a nonqualified deferred compensation plan sponsored by Elevance Health which covers certain employees once the participant reaches the maximum contribution amount for the Elevance Health 401(k) Plan (the “401(k) Plan”).

NOTES TO FINANCIAL STATEMENTS

The deferred amounts are payable according to the terms and subject to the conditions of the deferred compensation plan. Elevance Health allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees subject to the deferred compensation plan. The Company has no legal obligation for benefits under this plan.

The Company participates in the 401(k) Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

The Company participates in a stock incentive compensation plan, sponsored by Elevance Health, providing incentive awards to non-employee directors and employees, consisting of Elevance Health stock options, restricted stock, restricted stock units, stock appreciation rights, performance shares, and performance units. Elevance Health allocates a share of the total share-based compensation expense of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

During 2022 and 2021, the Company was allocated the following costs or (credits) for these retirement benefits:

	2022	2021
Defined benefit pension plan	(66,186) \$	(107,686)
Postretirement medical benefit plan	(41,210)	(64,611)
Deferred compensation plan	6,116	12,563
Defined contribution plan	630,191	950,863
Stock incentive compensation plan	351,346	556,476

H. Post Employment Benefits and Compensated Absences

Not applicable.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

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

A. Outstanding Shares

As of December 31, 2022, the Company has 200,000 shares of \$.01 par value common stock authorized, issued and outstanding.

B. Preferred Stock

The Company has no preferred stock outstanding.

C. Dividend Restrictions

Under New York law, the Company is limited in the amount of dividends that can be declared without regulatory approval. The Department and the New York State Department of Health ("NYDOH") must approve any dividend that exceeds the lesser of 10% of its capital and surplus or 100% of adjusted net investment income. Also, any dividend paid from other than positive unassigned surplus shall be considered an extraordinary dividend, and will need approval of the Insurance Commissioner.

NOTES TO FINANCIAL STATEMENTS

D. Dividends Paid

See Footnote 10B.

E. Maximum Ordinary Dividend During 2023

Within the limitations of (C) above, the Company may not pay dividends during 2023 without prior approval.

F. Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2022.

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2022.

I. Changes in Special Surplus Funds

There are no special surplus funds at December 31, 2022.

J. Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized investment gains and losses was \$(20,539) at December 31, 2022.

K. Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

L. Restatement due to Prior Quasi-reorganizations

The Company had no restatements due to prior quasi-reorganizations.

M. Quasi-reorganizations over Prior 10 Years

The Company has not been involved in a quasi-reorganization during the past 10 years.

(14) Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company had no contingent commitments at December 31, 2022 or 2021.

B. Assessments

(1) New York does not have an insolvency or guaranty association law under which the Company can be assessed for amounts paid by guaranty funds for member losses when a health insurance company or HMO becomes insolvent.

The Company participates in risk sharing pools, including the Demographic and Specified Medical Conditions (Regulation 164) and Stop Loss (Regulation 171) pools. These pools are intended to subsidize health insurance carriers for unfavorable claims experience. The Company is also subject to Bad Debt and Charity Care pools

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which subsidize financially stressed hospitals and Graduate Medical Expenses (“GME”) assessments which subsidize hospital indigent care and health care initiatives.

(2) Not applicable.

(3) Not applicable.

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2022 or 2021.

D. Claims-Related Extra Contractual Obligation and the Bad Faith Losses Stemming From Lawsuits

Not applicable.

E. Joint and Several Liabilities

Not applicable.

F. All Other Contingencies

Litigation and regulatory proceedings

Blue Cross Blue Shield Antitrust Litigation

Elevance Health, Inc. (f/k/a Anthem, Inc.) is a defendant in multiple lawsuits that were initially filed in 2012 against the BCBSA and Blue Cross and/or Blue Shield licensees (the “Blue plans”) across the country. Cases filed in twenty-eight states were consolidated into a single, multi-district proceeding captioned *In re Blue Cross Blue Shield Antitrust Litigation* that is pending in the U.S. District Court for the Northern District of Alabama (the “Court”). Generally, the suits allege that the BCBSA and the Blue plans have conspired to horizontally allocate geographic markets through license agreements, best efforts rules that limit the percentage of non-Blue revenue of each plan, restrictions on acquisitions, rules governing the BlueCard[®] and National Accounts programs and other arrangements in violation of the Sherman Antitrust Act (“Sherman Act”) and related state laws. The cases were brought by two putative nationwide classes of plaintiffs, health plan subscribers and providers.

In April 2018, the Court issued an order on the parties’ cross motions for partial summary judgment, determining that the defendants’ aggregation of geographic market allocations and output restrictions are to be analyzed under a per se standard of review, and the BlueCard[®] program and other alleged Section 1 Sherman Act violations are to be analyzed under the rule of reason standard of review. With respect to whether the defendants operate as a single entity with regard to the enforcement of the Blue Cross Blue Shield trademarks, the Court found that summary judgment was not appropriate due to the existence of genuine issues of material fact. In April 2019, the plaintiffs filed motions for class certification, which defendants opposed.

The BCBSA and Blue plans approved a settlement agreement and release with the subscriber plaintiffs (the “Subscriber Settlement Agreement”), which agreement required the Court’s approval to become effective. The Subscriber Settlement Agreement requires the defendants to make a monetary settlement payment and contains certain terms imposing non-monetary obligations including (i) eliminating the “national best efforts” rule in the BCBSA license agreements (which rule limits the percentage of non-Blue revenue permitted for each Blue plan) and (ii) allowing for some large national employers

NOTES TO FINANCIAL STATEMENTS

with self-funded benefit plans to request a bid for insurance coverage from a second Blue plan in addition to the local Blue plan.

In November 2020, the Court issued an order preliminarily approving the Subscriber Settlement Agreement, following which members of the subscriber class were provided notice of the Subscriber Settlement Agreement and an opportunity to opt out of the class. A small number of subscribers submitted valid opt-outs by the July 2021 opt-out deadline. A fairness hearing was held in October 2021 and the Court took the request for final approval under advisement. In February 2022, the Court ordered the issuance of a supplemental notice to self-funded account class members. The notice process was completed in March 2022.

In August 2022, the Court issued a final order approving the Subscriber Settlement Agreement (the "Final Approval Order"). The Court amended its Final Approval Order in September 2022, further clarifying the injunctive relief that may be available to subscribers who submitted valid opt-outs. In September 2022, an objector filed a motion to amend the Final Approval Order, which the Court denied. In compliance with the Subscriber Settlement Agreement, Elevance Health paid \$506,000,000 into an escrow account in September 2022, for an aggregate and full settlement payment by Elevance Health of \$596,000,000. The Company recorded its estimated portion of the Subscriber Settlement Agreement, net of third party insurance cover, in 2020 and paid its remaining portion of the Subscriber Settlement Agreement in 2022.

Four notices of appeal of the Final Approval Order were filed by the September 2022 appeal deadline. Those appeals are proceeding in the United States Court of Appeals for the Eleventh Circuit. In the event that all appellate rights are exhausted in a manner that affirms the Court's Final Approval Order, the defendants' payment and non-monetary obligations under the Subscriber Settlement Agreement will become effective and the funds held in escrow will be distributed in accordance with the Subscriber Settlement Agreement.

In October 2020, after the Court lifted the stay as to the provider litigation, provider plaintiffs filed a renewed motion for class certification, which defendants opposed. In March 2021, the Court issued an order terminating the pending motion for class certification until the Court determines the standard of review applicable to the providers' claims. In May 2021, the defendants and provider plaintiffs filed renewed standard of review motions. In June 2021, the parties filed summary judgment motions not critically dependent on class certification. In February 2022, the Court issued orders (i) granting certain defendants' motion for partial summary judgment against the provider plaintiffs who had previously released claims against such defendants, and (ii) granting the provider plaintiffs' motion for partial summary judgment, holding that *Ohio v. American Express Co.* does not affect the standard of review in this case. In August 2022, the Court issued orders (i) granting in part the defendants' motion regarding the antitrust standard of review, holding that for the period of time after the elimination of the "national best efforts" rule, the rule of reason applies to the provider plaintiffs' market allocation conspiracy claims, and (ii) denying the provider plaintiffs' motion for partial summary judgment on the standard of review, reaffirming its prior holding that the providers' group boycott claims are subject to the rule of reason. In November 2022, the Court issued an order requiring the parties to submit supplemental briefs on certain questions related to providers' renewed motion for class certification. Elevance Health intends to continue to vigorously defend the provider litigation, which they believe is without merit, however, its ultimate outcome cannot be presently determined.

A number of follow-on cases involving entities that opted out of the Subscriber Settlement Agreement have been filed. Those actions are: *Alaska Air Group, Inc., et al. v. Anthem, Inc., et al.*, No. 2:21-cv-01209-AMM (N.D. Ala.); *JetBlue Airways Corp., et al. v. Anthem, Inc., et al.*, No. 2:22-cv-00558-GMB (N.D. Ala.); *Metropolitan Transportation Authority v. Blue Cross and Blue Shield of Alabama et al.*, No. 2:22-cv-00265-RDP (N.D. Ala.); *Bed Bath & Beyond Inc. v. Anthem, Inc.*, No. 2:22-cv-01256-

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SGC (N.D. Ala.); *Hoover, et al. v. Blue Cross Blue Shield Association, et al.*, No. 2:22-cv-00261-RDP (N.D. Ala.); and *VHS Liquidating Trust v. Blue Cross of California, et al.*, No. RG21106600 (Cal. Super.). Elevance Health intends to continue to vigorously defend these follow-on cases, which they believe are without merit; however, their ultimate outcome cannot be presently determined.

Express Scripts, Inc. Pharmacy Benefit Management Litigation

In March 2016, Elevance Health, Inc. (f/k/a Anthem, Inc.) filed a lawsuit against Express Scripts, Inc. (“Express Scripts”), their vendor at the time for PBM services, captioned *Anthem, Inc. v. Express Scripts, Inc.*, in the U.S. District Court for the Southern District of New York (the “District Court”). The lawsuit seeks to recover over \$14,800,000,000 in damages for pharmacy pricing that is higher than competitive benchmark pricing under the agreement between the parties (the “ESI PBM Agreement”), over \$158,000,000 in damages related to operational breaches, as well as various declarations under the ESI PBM Agreement, including that Express Scripts: (i) breached its obligation to negotiate in good faith and to agree in writing to new pricing terms; (ii) was required to provide competitive benchmark pricing to Elevance Health through the term of the ESI PBM Agreement; (iii) has breached the ESI PBM Agreement; and (iv) is required under the ESI PBM Agreement to provide post-termination services, at competitive benchmark pricing, for one year following any termination.

Express Scripts has disputed Elevance Health’s contractual claims and is seeking declaratory judgments: (i) regarding the timing of the periodic pricing review under the ESI PBM Agreement, and (ii) that it has no obligation to ensure that Elevance Health receives any specific level of pricing, that Elevance Health has no contractual right to any change in pricing under the ESI PBM Agreement and that its sole obligation is to negotiate proposed pricing terms in good faith. In the alternative, Express Scripts claims that Elevance Health has been unjustly enriched by its payment of \$4,675,000,000 at the time they entered into the ESI PBM Agreement. In March 2017, the District Court granted Elevance Health’s motion to dismiss Express Scripts’ counterclaims for (i) breach of the implied covenant of good faith and fair dealing, and (ii) unjust enrichment with prejudice. After such ruling, Express Scripts’ only remaining claims were for breach of contract and declaratory relief. In August 2021, Express Scripts filed a motion for summary judgment, which Elevance Health opposed. In March 2022, the District Court granted in part and denied in part Express Scripts’ motion for summary judgment. The District Court dismissed Elevance Health’s declaratory judgment claim, Elevance Health’s breach of contract claim for failure to prove damages and most of Elevance Health’s operational breach claims. As a result of the summary judgment decision, the only remaining claims as of the filing of this Annual Report on Form 10-K are (i) Elevance Health’s operational breach claim based on Express Scripts’ prior authorization processes and (ii) Express Scripts’ counterclaim for breach of the market check provision of the ESI PBM Agreement. Express Scripts filed a second motion for summary judgment in June 2022, challenging Elevance Health’s remaining operational breach claims, which Elevance Health opposed in July 2022. Elevance Health intends to appeal the earlier summary judgment decision at the appropriate time, vigorously pursue their claims and defend against counterclaims, which they believe are without merit; however, the ultimate outcome of this litigation cannot be presently determined.

Medicare Risk Adjustment Litigation

In March 2020, the U.S. Department of Justice (“DOJ”) filed a civil lawsuit against Elevance Health, Inc. (f/k/a Anthem, Inc.) in the U.S. District Court for the Southern District of New York (the “New York District Court”) in a case captioned *United States v. Anthem, Inc.* The DOJ’s suit alleges, among other things, that Elevance Health falsely certified the accuracy of the diagnosis data they submitted to the Centers for Medicare and Medicaid Services (“CMS”) for risk-adjustment purposes under Medicare Part C and knowingly failed to delete inaccurate diagnosis codes. The DOJ further alleges that, as a

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result of these purported acts, Elevance Health caused CMS to calculate the risk-adjustment payments based on inaccurate diagnosis information, which enabled Elevance Health to obtain unspecified amounts of payments in Medicare funds in violation of the False Claims Act. The DOJ filed an amended complaint in July 2020, alleging the same causes of action but revising some of its factual allegations. In September 2020, Elevance Health filed a motion to transfer the lawsuit to the Southern District of Ohio, a motion to dismiss part of the lawsuit, and a motion to strike certain allegations in the amended complaint. In an opinion and order issued October 3, 2022, the New York District Court denied Elevance Health's motions, and the case will now proceed in that court. In November 2022, Elevance Health filed an answer. They intend to continue to vigorously defend this suit, which they believe is without merit; however, the ultimate outcome cannot be presently determined.

Other Contingencies

From time to time, the Company and certain of its subsidiaries are parties to various legal proceedings, many of which involve claims for coverage encountered in the ordinary course of business. The Company, like Health Maintenance Organizations ("HMOs") and health insurers generally, exclude certain healthcare and other services from coverage under their HMO, Preferred Provider Organizations and other plans. The Company is, in the ordinary course of business, subject to the claims of their enrollees arising out of decisions to restrict or deny reimbursement for uncovered services. The loss of even one such claim, if it results in a significant punitive damage award, could have a material adverse effect on the Company. In addition, the risk of potential liability under punitive damage theories may increase significantly the difficulty of obtaining reasonable reimbursement of coverage claims.

In addition to the lawsuits described above, the Company is also involved in other pending and threatened litigation of the character incidental to their business and is from time to time involved as a party in various governmental investigations, audits, reviews and administrative proceedings. These investigations, audits, reviews and administrative proceedings include routine and special inquiries by state insurance departments, state attorneys general, the U.S. Attorney General and subcommittees of the U.S. Congress. Such investigations, audits, reviews and administrative proceedings could result in the imposition of civil or criminal fines, penalties, other sanctions and additional rules, regulations or other restrictions on the Company's business operations. Any liability that may result from any one of these actions, or in the aggregate, could have a material adverse effect on the Company's consolidated financial position or results of operations.

The Company has no other known material contingencies.

Provisions for uncollectible amounts

At December 31, 2022 and 2021, the Company reported admitted assets of \$35,785,000 and \$31,361,599 respectively, in premium receivables and receivables due from uninsured plans. Based upon the Company's experience, any uncollectible receivables are not expected to exceed \$5,048,315 that was nonadmitted at December 31, 2022; therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases

A. Lessee Operating Lease

- (1) The Company leases office space, office equipment, EDP equipment, and software under various noncancelable operating leases. Certain leases have the right to renew.

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There are no escalation clauses for any lease. Related lease expense for 2022 and 2021 was \$1,189,115 and \$1,020,535, respectively.

(2) At December 31, 2022, the minimum aggregate rental commitments are as follows:

	<u>Year Ending December 31</u>	<u>Operating Leases</u>
1	2023	\$ 709,279
2	2024	730,561
3	2025	370,682
4	2026	—
5	2027	—
7	Total (sum of 1 through 6)	<u>\$ 1,810,522</u>

(3) The Company has not entered into any material sale-leaseback transactions.

B. Lessor Leases

(1) The Company has not entered into any operating leases.

(2) The Company has not entered into any leveraged leases.

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

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2022, there were no significant concentrations.

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

A. Transfers of Receivables Reported as Sales

Not applicable at December 31, 2022 and 2021.

B. Transfer and Servicing of Financial Assets

(1) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers. At December 31, 2022 the fair value of securities loaned was \$14,214,669 and the carrying value of securities loaned was \$14,924,283.

(2) - (7) Not applicable.

C. Wash Sales

(1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.

(2) At December 31, 2022 and 2021, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

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18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**A. Administrative Services Only ("ASO") Plans**

Not applicable at December 31, 2022.

B. Administrative Services Contract ("ASC") Plans

Not applicable at December 31, 2022.

C. Medicare or Other Similarly Structured Cost-Based Reimbursement Contract

(1) The Company does not record revenue explicitly attributable to the cost share and reinsurance components of administered Medicare products.

(2)	Receivable from	Related to	2022	2021
	Federal government	ACA and Medicare cost sharing and reinsurance programs	\$ 7,756,579	\$ 24,997,827
	State government	ACA cost sharing and reinsurance programs, including Section 1332	\$ —	\$ —
	Uninsured plans	Uninsured business, not including pharmaceutical rebate receivables	\$ —	\$ —

(3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company's Medicare and ACA products, the Company has recorded no allowances and reserves for the adjustment of recorded revenues and receivables.

(4) The Company has made no adjustment to revenue resulting from the audit of cost-reimbursement receivables related to revenues recorded in the prior period.

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2022 and 2021.

20. Fair Value Measurements**A.**

(1) Fair Value Measurements at Reporting Date:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
U.S. special revenues	\$ —	\$ 481,570	\$ —	\$ —	\$ 481,570
Total bonds	\$ —	\$ 481,570	\$ —	\$ —	\$ 481,570
Total assets at fair value/NAV	\$ —	\$ 481,570	\$ —	\$ —	\$ 481,570

NOTES TO FINANCIAL STATEMENTS

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

There are no investments in Level 3 as of December 31, 2022 and 2021.

(3) The Company's policy is to recognize transfers between Levels, if any, as of the beginning of the reporting period.

(4) Fair values of bonds are based on quoted market prices, where available. These fair values are obtained primarily from third party pricing services, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. Level 2 securities primarily include United States government securities, corporate securities, securities from states, municipalities and political subdivisions, mortgage-backed securities and certain other asset-backed securities. For securities not actively traded, the pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds. The Company has controls in place to review the pricing services' qualifications and procedures used to determine fair values. In addition, the Company periodically reviews the pricing services' pricing methodologies, data sources and pricing inputs to ensure the fair values obtained are reasonable.

Certain bonds, primarily corporate debt securities, are designated Level 3. For these securities, the valuation methodologies may incorporate broker quotes or discounted cash flow analyses using assumptions for inputs such as expected cash flows, benchmark yields, credit spreads, default rates and prepayment speeds that are not observable in the markets.

There have been no significant changes in the valuation techniques during the current period.

B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2022 and 2021.

C. 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	\$277,840,220	\$294,886,240	\$ —	\$277,840,220	\$ —	\$ —	\$ —
Securities lending collateral asset	14,574,050	14,570,768	—	14,574,050	—	—	—

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate fair value.

E. Investments Measured at Net Asset Value

The Company has no investments measured at net asset value.

21. Other Items**A. Unusual or Infrequent Items**

Not applicable at December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2022 and 2021.

C. Other Disclosures

Assets in the amount of \$48,991,820 and \$55,121,503 at December 31, 2022 and 2021, respectively, were on deposit with government authorities or trustees as required by law.

D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2022 and 2021.

E. State Transferable and Non-Transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2022 and 2021.

F. Subprime Mortgage-Related Risk Exposure

- (1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments. The portion of the Company's investment portfolio with subprime mortgage-related risk exposure is relatively small in comparison to the overall investment portfolio, and consists mainly of investment grade securities with no exposure to collateralized debt obligations. All mortgage related investments are monitored closely as part of the quarterly investment review performed by the Elevance Health Investment Impairment Review Committee.
- (2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2022 or 2021.
- (3) The Company did not have subprime mortgage-related risk exposure at December 31, 2022 or 2021.
- (4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2022 or 2021.

G. Retained Assets

The Company does not have retained assets at December 31, 2022 and 2021.

H. Insurance-Linked Securities Contracts

Not applicable.

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

Not applicable.

NOTES TO FINANCIAL STATEMENTS

22. Events Subsequent

Subsequent events have been considered through March 28, 2023 for the statutory statement issued on March 29, 2023. There were no events occurring subsequent to December 31, 2022 requiring recognition or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

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

Yes () No (X)

If yes, give full details.

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

Yes () No (X)

If yes, give full details.

Section 2 - Ceded Reinsurance Report - Part A

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

Yes () No (X)

If yes, give full details.

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

Yes () No (X)

If yes, give full details.

Section 3 - Ceded Reinsurance Report - Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date

NOTES TO FINANCIAL STATEMENTS

of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$0

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

If yes, give full details.

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2022 and 2021.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2022 and 2021.

D. Certified Reinsurer Rating Downgraded or Status Subject Revocation

The Company has no downgraded certified reinsurer ratings or status subject to revocations during 2022 and 2021.

E. Reinsurance Credit

(1) Not applicable.

(2) Not applicable.

(3) Not applicable.

(4) Not applicable.

(5) Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. The Company sells accident and health policies for which the premiums vary based on loss experience. The Company estimates retrospective premium adjustments through the review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.

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

C. The amount of net premiums written by the Company at December 31, 2022 and 2021 that were subject to retrospective rating features was \$681,726,084 and \$758,667,182, respectively, which represented 100% and 100%, respectively, of the total net premiums written.

D. In accordance with the NAIC SAP, medical loss ratio rebates in accordance with the Federal 2010 Patient Protection and Affordable Care Act and Public Health Service Act (“ACA Act” or “ACA”), are to be reported in accordance with SSAP No. 66 - *Retrospectively Rated Contracts* (“SSAP No. 66”). A retrospectively rated contract is one

NOTES TO FINANCIAL STATEMENTS

that has the final policy premium calculated based on the loss experience of the insured during the term of the policy (including loss development after the term of the policy) and the stipulated formula set forth in the policy, or in the case of medical loss ratio rebates, a formula required by law. The Company based the incurred and unpaid liability amounts reported below based on its underwriting experience; actuarial, tax, and accounting estimates and assumptions at the financial statement date; as well as regulations and guidance available that is not final and subject to change prior to settlement. Accordingly, the Company's use of estimates and assumptions in the preparation of the statutory based financial statements and related footnote disclosures may differ from actual results. Hence, the amounts reported herein are for financial reporting purposes solely and not intended to be used for settlement purposes.

Medical loss ratio rebates accrued pursuant to the ACA Act are as follows:

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Year Reporting:					
(1) Medical loss ratio rebates incurred	\$ —	\$ —	\$ —	\$ —	\$ —
(2) Medical loss ratio rebates paid	—	—	—	—	—
(3) Medical loss ratio rebates unpaid	—	—	—	—	—
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	—
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ 51,406	\$ —	\$ 364,321	\$ —	\$ 415,727
(8) Medical loss ratio rebates paid	—	—	—	—	—
(9) Medical loss ratio rebates unpaid	51,406	—	364,321	—	415,727
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 415,727

NOTES TO FINANCIAL STATEMENTS

E. Risk-Sharing Provisions of the 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		
a.	Permanent ACA Risk Adjustment Program		
	Assets		
	1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)	\$	—
	Liabilities		
	2. Risk adjustment user fees payable for ACA Risk Adjustment	\$	—
	3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premiums)	\$	2,014
	Operations (Revenue & Expense)		
	4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$	(6,489)
	5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	\$	(9)
b.	Transitional ACA Reinsurance Program		
	Assets		
	1. Amounts recoverable for claims paid due to ACA Reinsurance	\$	—
	2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	\$	—
	3. Amounts recoverable relating to uninsured plans for contributions for ACA Reinsurance	\$	—
	Liabilities		
	4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$	—
	5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$	—
	6. Liability for amounts held under uninsured plans contributions for ACA Reinsurance	\$	—
	Operations (Revenue & Expense)		
	7. Ceded reinsurance premiums due to ACA Reinsurance	\$	—
	8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$	—
	9. ACA Reinsurance contributions - not reported as ceded premium	\$	—
c.	Temporary ACA Risk Corridors Program		
	Assets		
	1. Accrued retrospective premium due to ACA Risk Corridors	\$	—
	Liabilities		
	2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$	—
	Operations (Revenue & Expense)		
	3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$	—
	4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$	—

Line items where the amount is zero is due to no balance and/or no activity as of the reporting date.

NOTES TO FINANCIAL STATEMENTS

(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		Ref	Unsettled Balances as of the Reporting Date	
	1	2	3	4	Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high risk pool payments)	\$ 221,608	\$ —	\$ 222,887	\$ —	\$ (1,279)	\$ —	\$ 1,279	\$ —	A	\$ —	\$ —
2. Premium adjustments (payable) (including high risk pool premiums)	\$ —	\$ (3,000)	\$ —	\$ 2,755	\$ —	\$ (5,755)	\$ —	\$ 5,755	B	\$ —	\$ —
3. Subtotal ACA Permanent Risk Adjustment Program	\$ 221,608	\$ (3,000)	\$ 222,887	\$ 2,755	\$ (1,279)	\$ (5,755)	\$ 1,279	\$ 5,755		\$ —	\$ —
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	C	\$ —	\$ —
2. Amounts recoverable for claims unpaid (contra liability)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	D	\$ —	\$ —
3. Amounts receivable relating to uninsured plans	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	E	\$ —	\$ —
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	F	\$ —	\$ —
5. Ceded reinsurance premiums payable	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	G	\$ —	\$ —
6. Liability for amounts held under uninsured plans	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	H	\$ —	\$ —
7. Subtotal ACA Transitional Reinsurance Program	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	I	\$ —	\$ —
2. Reserve for rate credits or policy experience rating refunds	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	J	\$ —	\$ —
3. Subtotal ACA Risk Corridors Program	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
d. Total for ACA Risk Sharing Provisions	\$ 221,608	\$ (3,000)	\$ 222,887	\$ 2,755	\$ (1,279)	\$ (5,755)	\$ 1,279	\$ 5,755		\$ —	\$ —

Explanations of Adjustments

- A Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2021 Benefit Year."
- B Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2021 Benefit Year."
- C Not applicable.
- D Not applicable.
- E Not applicable.
- F Not applicable.
- G Not applicable.
- H Not applicable.
- I Not applicable.
- J Not applicable.

(4) Not applicable.

(5) Not applicable.

25. Change in Incurred Claims and Claim Adjustment Expenses

A. The estimated cost of claims and claim adjustment expense attributable to insured events of prior years decreased by \$13,014,659 during 2022. This is approximately 10.9% of unpaid claims and claim adjustment expenses of \$119,619,161 as of December 31, 2021. The redundancy reflects the decreases in estimated claims and claims adjustment expenses as a result of claims payment during the year, and as additional information is received regarding claims incurred prior to 2022. Recent claim development trends are

NOTES TO FINANCIAL STATEMENTS

also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claim adjustment expense.

- B.** There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2022 and 2021.

27. Structured Settlements

Not applicable at December 31, 2022 and 2021.

28. Health Care Receivables**A. Pharmaceutical Rebate Receivables**

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
12/31/2022	\$ 5,596,207	\$ 15,038,767	\$ 9,442,561	\$ —	
9/30/2022	4,938,204	15,070,620	14,749,221	—	
6/30/2022	5,827,576	15,890,128	15,376,130	513,999	
3/31/2022	5,729,197	14,798,959	14,258,861	540,098	
12/31/2021	5,792,640	16,302,384	15,849,184	453,200	
9/30/2021	5,603,115	15,392,214	14,954,931	437,283	
6/30/2021	6,085,875	11,185,992	10,726,978	459,014	
3/31/2021	5,998,852	15,941,144	15,518,694	422,450	
12/31/2020	6,790,234	17,905,378	17,772,397	132,981	
9/30/2020	4,892,357	15,766,992	15,468,417	298,575	
6/30/2020	6,681,633	20,422,127	20,037,872	384,255	
3/31/2020	10,587,094	10,744,674	10,131,800	612,874	

B. Risk Sharing Receivables

Not applicable at December 31, 2022 and 2021.

29. Participating Policies

Not applicable at December 31, 2022 and 2021.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	\$ 6,324,368
2. Date of the most recent evaluation of this liability	<u>December 31, 2022</u>
3. Was anticipated investment income utilized in the calculation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

The Company had no liabilities related to premium deficiency reserves as of December 31, 2021.

NOTES TO FINANCIAL STATEMENTS

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced the liability by \$1,526,000 and \$1,526,000 at December 31, 2022 and 2021, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State Regulating? New York
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No
- 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. 0001156039
- 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
- 2.2 If yes, date of change: 05/16/2022
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2022
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2019
- 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). 10/01/2021
- 3.4 By what department or departments?
New York State Department of Financial Services
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes 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
4.12 renewals? Yes No
- 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
4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes No
- 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
- 7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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

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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []
- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 111 Monument Circle, Suite 4000, Indianapolis, IN 46204
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain
.....
- 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Renee Smith, ASA, MAA, Actuarial Director (employee): 800 E. Mill Creek Rd S., Greensburg, IN 47240
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 - 12.11 Name of real estate holding company ...
 - 12.12 Number of parcels involved
 - 12.13 Total book/adjusted carrying value \$
- 12.2 If, yes provide explanation:
.....
- 13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 - a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - c. Compliance with applicable governmental laws, rules and regulations;
 - d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
Code amended to reflect name change from Anthem to Elevance Health.
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$
 - 20.12 To stockholders not officers.....\$
 - 20.13 Trustees, supreme or grand (Fraternal Only) \$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$
 - 20.22 To stockholders not officers.....\$
 - 20.23 Trustees, supreme or grand (Fraternal Only) \$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$
 - 21.22 Borrowed from others.....\$
 - 21.23 Leased from others\$
 - 21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$8,470
 - 22.22 Amount paid as expenses\$
 - 22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

INVESTMENT

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

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information relating thereto
.....
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) See Notes 5E and 17.
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 14,570,768
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes No N/A
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 14,574,050
- 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 14,570,768
- 25.093 Total payable for securities lending reported on the liability page. \$ 14,570,768

- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes No
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$
- 26.22 Subject to reverse repurchase agreements \$
- 26.23 Subject to dollar repurchase agreements \$
- 26.24 Subject to reverse dollar repurchase agreements \$
- 26.25 Placed under option agreements \$
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$
- 26.27 FHLB Capital Stock \$
- 26.28 On deposit with states \$ 48,991,820
- 26.29 On deposit with other regulatory bodies \$
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$
- 26.32 Other \$

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase Bank, N.A	383 Madison Ave, New York, NY 10179

GENERAL INTERROGATORIES

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

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

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

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

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

29.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. 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
Elevance Health, Inc.	I.....
Loomis, Sayles & Company, LP	U.....
Mackay Shields LLC	U.....

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105377	Loomis, Sayles & Company, LP	J1ZPN2RX3UMNOY1D1313	Securities Exchange Commission	NO.....
107717	Mackay Shields LLC	549300Y7LLCOFU7R8H16	Securities Exchange Commission	NO.....

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

30.2 If yes, complete the following schedule:

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

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

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

GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	294,886,240	277,840,220	(17,046,020)
31.2 Preferred stocks	0		0
31.3 Totals	294,886,240	277,840,220	(17,046,020)

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

Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.

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

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

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

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

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

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]

35. By self-designating PLGI securities, the reporting entity is certifying 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 a 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 [X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
 a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
 b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
 c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
 d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.
 Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [X] N/A []

GENERAL INTERROGATORIES

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

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

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

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

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

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

OTHER

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 41,924

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

1	2
Name	Amount Paid
Blue Cross Blue Shield Association	41,924

41.1 Amount of payments for legal expenses, if any? \$ 891,092

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

1	2
Name	Amount Paid
Omelveny & Myers	537,874

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 68,289

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

1	2
Name	Amount Paid
Hinman Straub	42,851

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2022 Annual Statement.”

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

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

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

1.31 Reason for excluding
.....

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

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

1.6 Individual policies: Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned \$ 0

1.65 Total incurred claims \$ 0

1.66 Number of covered lives 0

1.7 Group policies: Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	681,726,084	758,667,182
2.2 Premium Denominator	681,726,084	758,667,182
2.3 Premium Ratio (2.1/2.2)	1.000	1.000
2.4 Reserve Numerator	123,124,516	118,959,928
2.5 Reserve Denominator	123,124,516	118,959,928
2.6 Reserve Ratio (2.4/2.5)	1.000	1.000

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

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

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

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

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

5.2 If no, explain:
The Company retains all risk.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical \$

5.32 Medical Only \$

5.33 Medicare Supplement \$

5.34 Dental & Vision \$

5.35 Other Limited Benefit Plan \$

5.36 Other \$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
If the Company becomes insolvent, Anthem, Inc. has agreed to assume all contractual and financial obligations of the Company. All provider contracts contain appropriate hold harmless provisions.

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

7.2 If no, give details
.....

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year 114,351
8.2 Number of providers at end of reporting year 103,006

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

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

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No
- 10.2 If yes:
- | | |
|--|----------------------|
| 10.21 Maximum amount payable bonuses..... | \$ 34,340,220 |
| 10.22 Amount actually paid for year bonuses..... | \$ (1,463,113) |
| 10.23 Maximum amount payable withholds..... | \$ |
| 10.24 Amount actually paid for year withholds..... | \$ |
- 11.1 Is the reporting entity organized as:
- | | |
|---|---|
| 11.12 A Medical Group/Staff Model, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.13 An Individual Practice Association (IPA), or, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.14 A Mixed Model (combination of above)? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
- 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. New York
- 11.4 If yes, show the amount required. \$ 85,215,761
- 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
Please see attached Report 16A from the Company's Supplement.

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

1 Name of Service Area
Albany
Bronx
Clinton
Columbia
Delaware
Duchess
Essex
Fulton
Greene
Kings
Montgomery
Nassau
New York
Orange
Putnam
Queens
Rensselaer
Richmond
Rockland
Saratoga
Schenectady
Schoharie
Suffolk
Sullivan
Ulster
Warren
Washington
Westchester

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

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

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

15.1 Direct Premium Written \$
 15.2 Total Incurred Claims \$
 15.3 Number of Covered Lives

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

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

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 []

REPORT #16A

**Calculations Of The Escrow Deposit And Contingent Reserve
Health Department Regulation Part 98-1.11(e) and (f)**

I. Escrow Deposit

1. Projected 2022 Hospital and Medical Expenses (12/31/21 NY Supplement, page NY6, In. 16, col. 9).....	572,743,637
2. Escrow Deposit Requirement (5% of projected 2022 hospital and medical expenses) ^(a)	28,637,182

(a) Department of Health Regulation 10 NYCRR 98-1.11(f), amended effective 6/29/05, requires the HMO to establish an escrow account in the form of a trust account with a custodian, for which a deed of trust has been approved by the superintendent. Also, based on the added pharmacy benefits to the Medicaid, and HIV SNP benefits packages on October 1, 2011, MCO's must include 100% of the projected pharmacy expenses in the calculation of the 5% escrow requirement that must be on deposit, as of March 31, 2022. Details of the account should be reported in the NAIC Health Blank, Schedule E – Part 3, Special Deposits.

II. Contingent Reserve*

1. Direct Business (NAIC Health Blank, page 8, Underwriting & Investment Part 1 - Premiums, In. 12, col. 1).....	681,726,084
2. Approved Reinsurance Ceded (Report #16B, col. 2) ^(b)	
3. Net Premium Income (Net of approved reinsurance) for: *	
3.i) All lines of business EXCEPT:	
Essential Plan, Medicaid Managed Care, HARP, MLTC Program (MLTC-Partial, Medicaid Advantage Plus ("MAP"), PACE) and HIV SNP (pages NY7-NY9, In. 2.5, all columns EXCEPT: cols. 33, 35, 37, 41, 43, 45).....	681,726,084
3.ii) Essential Plan, HARP, Medicaid Managed Care and HIV SNP programs (pages NY8-NY9, In. 2.5, cols. 33, 35, 41, 43).....	0
LESS: Value Based Payment ("VBP") Supplemental Programs	0
3.iii) MLTC Program (MLTC-Partial, MAP, PACE) (page NY9, In. 2.5, col. 37).....	0
3.iv) FIDA-IDD (page NY9, In. 2.5, col. 45)	0
4. Contingent Reserve, not including the 2% Point of Service Contingent Reserve Requirement. ^(c)	85,215,761
5. 2% Point of Service Contingent Reserve Requirement. ^(c)	
6. Total Contingent Reserve (Ins. 4+5 should equal page NY3, In. 30.11, col. 3).....	85,215,761
7. Escrow Deposit, after offset of the Contingent Reserve (I.In. 2 less II.In. 4; minimum of \$0, should equal page NY3, In. 30.12, col. 3).....	0
8. Total minimum Net Worth (In. 6+7; should equal page NY3, In. 30.13, col. 3).....	85,215,761

*The Net Premium Income amount used to calculate the contingent reserve for line 3 are the amounts reported on the Statement of Revenue and Expenses by Line of Business Parts 1, 2 & 3 on pages 9 to 12 in the NY Supplement for HMO.

(b) This entry will equal Net Premium Income, Page NY4, Line 2.5 only if all reinsurance contracts have been approved by the Department of Financial Services. Reinsurance agreements not approved by the Department of Financial Services should not be included in this line.

(c) For HMO's certified prior to June 29, 2005, Line 5 equals 12½% of Line 3(i) PLUS 7¼% of Line 3(ii) PLUS 5% of Line 3(iii) PLUS 6.25% of Line 3(iv).

(d) The calculation of the Contingent Reserve must show that the HMO meets the 2% Point of Service Contingent Reserve requirement in addition to the standard contingent reserve requirement of 10 NYCRR 98-1.11(e) if the HMO writes out-of-network coverage for POS contracts aside from individual "standardized" POS contracts.

For HMO's certified after June 29, 2005:

If as of 12/31/2022, the HMO has not been certified for a full calendar year, then Line 4 equals 5% of projected premium revenue for the first full year of calendar year operations, i.e., 5% of Page NY6, Line 2.5, column 9 to which the HMO is to add back reinsurance premiums ceded pursuant to a reinsurance contract that has not been approved by the Department of Financial Services.

If as of 12/31/2022, the HMO has been certified for at least one full calendar year, then Line 4 is determined in accordance with the following schedule:

The provisions below pertain to the contingent reserve for the Essential Plan, Medicaid Managed Care, HARP, HIV SNP, and MLTC Partial Cap (MAP, PACE, FIDA-IDD).

Completed Calendar Years of Operations	Line 4 should include This Percent of the amount of Premium in Line 3(i).	P L U S	For Calendar Year Ending	Line 4 should include the Percent of the amount of Premium in Line 3(ii).	P L U S	Line 4 should include the Percent of the amount of Premium in Line 3(iii)	P L U S	Line 4 should include the Percent of the amount of Premium in Line 3(iv).
1 year	5%		2022	7.25%		5.00%		6.25%
2 years	6.50%		2023	7.25%		5.00%		6.25%
3 years	7.50%		2024	8.25%		5.00%		6.25%
4 years	8.50%		2025	9.25%		5.00%		6.25%
5 years	9.50%		2026	10.25%		5.00%		6.25%
6 years	10.50%		2027	11.25%		5.00%		6.25%
7 years	11.50%		2028	12.5%		5.00%		6.25%
8 or more years	12.50%		After 2029	12.5%		5.00%		6.25%

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Empire HealthChoice HMO, Inc.

FIVE-YEAR HISTORICAL DATA

	1 2022	2 2021	3 2020	4 2019	5 2018
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	373,230,702	430,440,262	425,392,401	408,659,367	434,637,489
2. Total liabilities (Page 3, Line 24)	261,759,927	285,360,692	245,190,660	251,503,597	247,626,320
3. Statutory minimum capital and surplus requirement	85,215,761	94,833,398	118,700,549	121,974,894	123,793,739
4. Total capital and surplus (Page 3, Line 33)	111,470,775	145,079,570	180,201,741	157,155,770	187,011,169
Income Statement (Page 4)					
5. Total revenues (Line 8)	680,561,454	755,212,636	952,467,973	977,590,457	992,094,189
6. Total medical and hospital expenses (Line 18)	606,241,540	727,470,444	841,246,491	876,447,151	903,958,825
7. Claims adjustment expenses (Line 20)	29,558,605	45,694,823	54,590,226	48,371,555	40,621,164
8. Total administrative expenses (Line 21)	44,949,912	55,648,901	92,710,145	72,678,660	91,968,152
9. Net underwriting gain (loss) (Line 24)	(6,512,971)	(55,960,836)	(2,966,786)	(61,622,947)	(23,482,197)
10. Net investment gain (loss) (Line 27)	4,152,237	9,028,847	11,142,065	11,326,043	9,810,633
11. Total other income (Lines 28 plus 29)	(356,611)	(519,997)	(399,049)	(817,763)	(774,037)
12. Net income or (loss) (Line 32)	(2,317,119)	(33,487,501)	10,156,172	(41,118,044)	(15,792,130)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(8,256,067)	(89,273,202)	20,658,329	20,522,575	(30,471,870)
Risk-Based Capital Analysis					
14. Total adjusted capital	111,470,775	145,079,570	180,201,741	157,155,770	187,011,169
15. Authorized control level risk-based capital	24,128,090	29,215,098	33,554,285	34,622,636	35,382,253
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	44,819	55,885	73,879	82,107	85,513
17. Total members months (Column 6, Line 7)	568,520	708,959	898,761	993,051	1,036,507
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)	89.1	96.3	88.3	89.7	91.1
20. Cost containment expenses	2.8	4.3	3.8	3.2	2.5
21. Other claims adjustment expenses	1.6	1.8	2.0	1.8	1.6
22. Total underwriting deductions (Line 23)	101.0	107.4	100.3	106.3	102.4
23. Total underwriting gain (loss) (Line 24)	(1.0)	(7.4)	(0.3)	(6.3)	(2.4)
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	102,192,596	129,559,302	103,502,823	85,190,486	142,237,351
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	117,432,318	144,127,431	95,760,344	94,128,595	154,237,097
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)		0	0	0	
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)		0	0	0	
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)				0	0
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.					

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

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, etc.	1 Active Status (a)	Direct Business Only									
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Program Premiums	7 Life and Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1. Alabama	AL	N								0	
2. Alaska	AK	N								0	
3. Arizona	AZ	N								0	
4. Arkansas	AR	N								0	
5. California	CA	N								0	
6. Colorado	CO	N								0	
7. Connecticut	CT	N								0	
8. Delaware	DE	N								0	
9. District of Columbia	DC	N								0	
10. Florida	FL	N								0	
11. Georgia	GA	N								0	
12. Hawaii	HI	N								0	
13. Idaho	ID	N								0	
14. Illinois	IL	N								0	
15. Indiana	IN	N								0	
16. Iowa	IA	N								0	
17. Kansas	KS	N								0	
18. Kentucky	KY	N								0	
19. Louisiana	LA	N								0	
20. Maine	ME	L		(12,528)						(12,528)	
21. Maryland	MD	N								0	
22. Massachusetts	MA	N								0	
23. Michigan	MI	N								0	
24. Minnesota	MN	N								0	
25. Mississippi	MS	N								0	
26. Missouri	MO	N								0	
27. Montana	MT	N								0	
28. Nebraska	NE	N								0	
29. Nevada	NV	N								0	
30. New Hampshire	NH	N								0	
31. New Jersey	NJ	N								0	
32. New Mexico	NM	N								0	
33. New York	NY	L	12,588,695	669,149,917						681,738,612	
34. North Carolina	NC	N								0	
35. North Dakota	ND	N								0	
36. Ohio	OH	N								0	
37. Oklahoma	OK	N								0	
38. Oregon	OR	N								0	
39. Pennsylvania	PA	N								0	
40. Rhode Island	RI	N								0	
41. South Carolina	SC	N								0	
42. South Dakota	SD	N								0	
43. Tennessee	TN	N								0	
44. Texas	TX	N								0	
45. Utah	UT	N								0	
46. Vermont	VT	N								0	
47. Virginia	VA	N								0	
48. Washington	WA	N								0	
49. West Virginia	WV	N								0	
50. Wisconsin	WI	N								0	
51. Wyoming	WY	N								0	
52. American Samoa	AS	N								0	
53. Guam	GU	N								0	
54. Puerto Rico	PR	N								0	
55. U.S. Virgin Islands	VI	N								0	
56. Northern Mariana Islands	MP	N								0	
57. Canada	CAN	N								0	
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX	12,588,695	669,137,389	0	0	0	0	0	681,726,084	0	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX								0		
61. Totals (Direct Business)	XXX	12,588,695	669,137,389	0	0	0	0	0	681,726,084	0	0
DETAILS OF WRITE-INS											
58001.	XXX										
58002.	XXX										
58003.	XXX										
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 2
- 2. R - Registered - Non-domiciled RRGs..... 0
- 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state. 0
- 4. Q - Qualified - Qualified or accredited reinsurer..... 0
- 5. N - None of the above - Not allowed to write business in the state..... 55

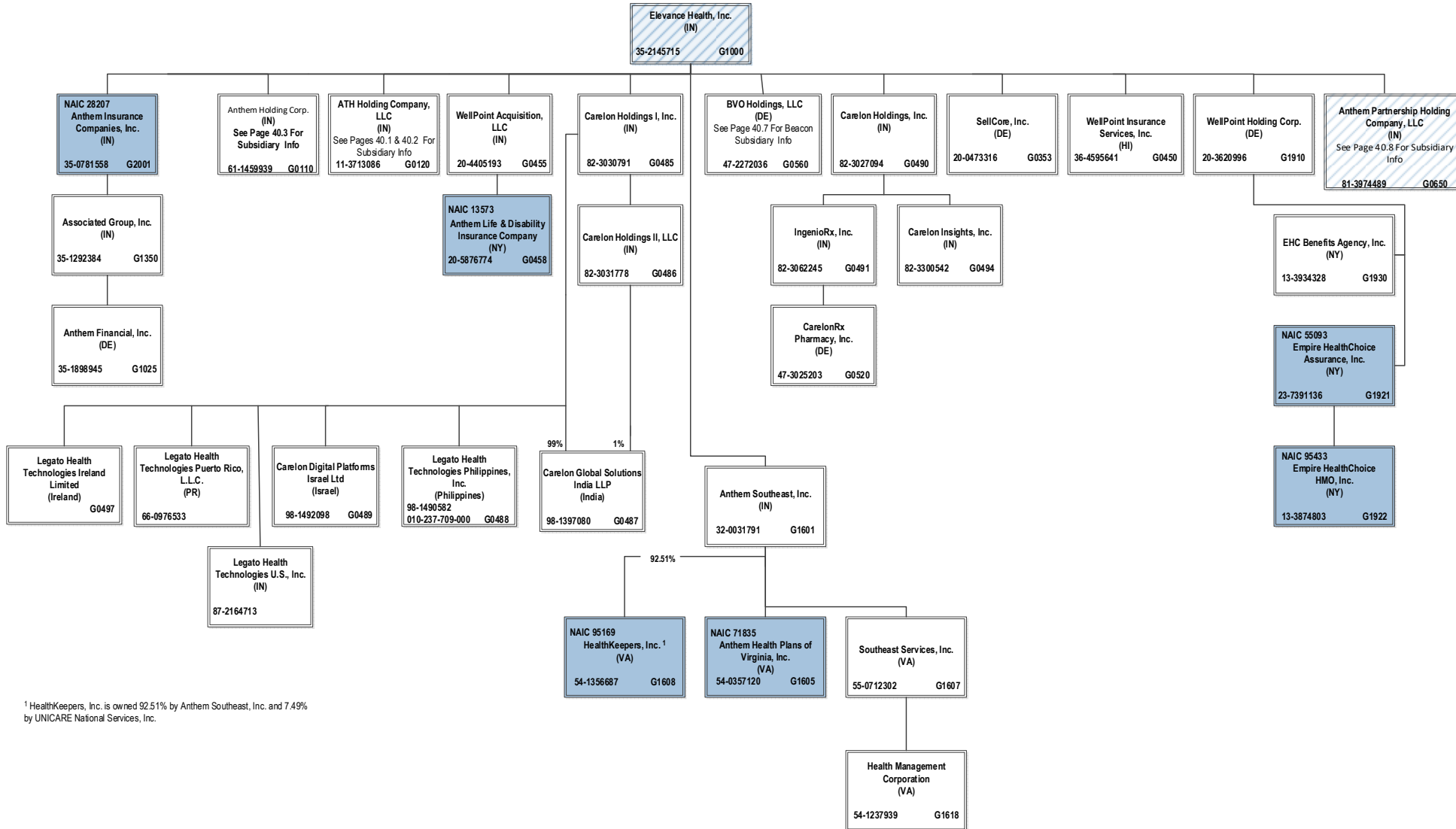
(b) Explanation of basis of allocation by states, premiums by state, etc.

N/A

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

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

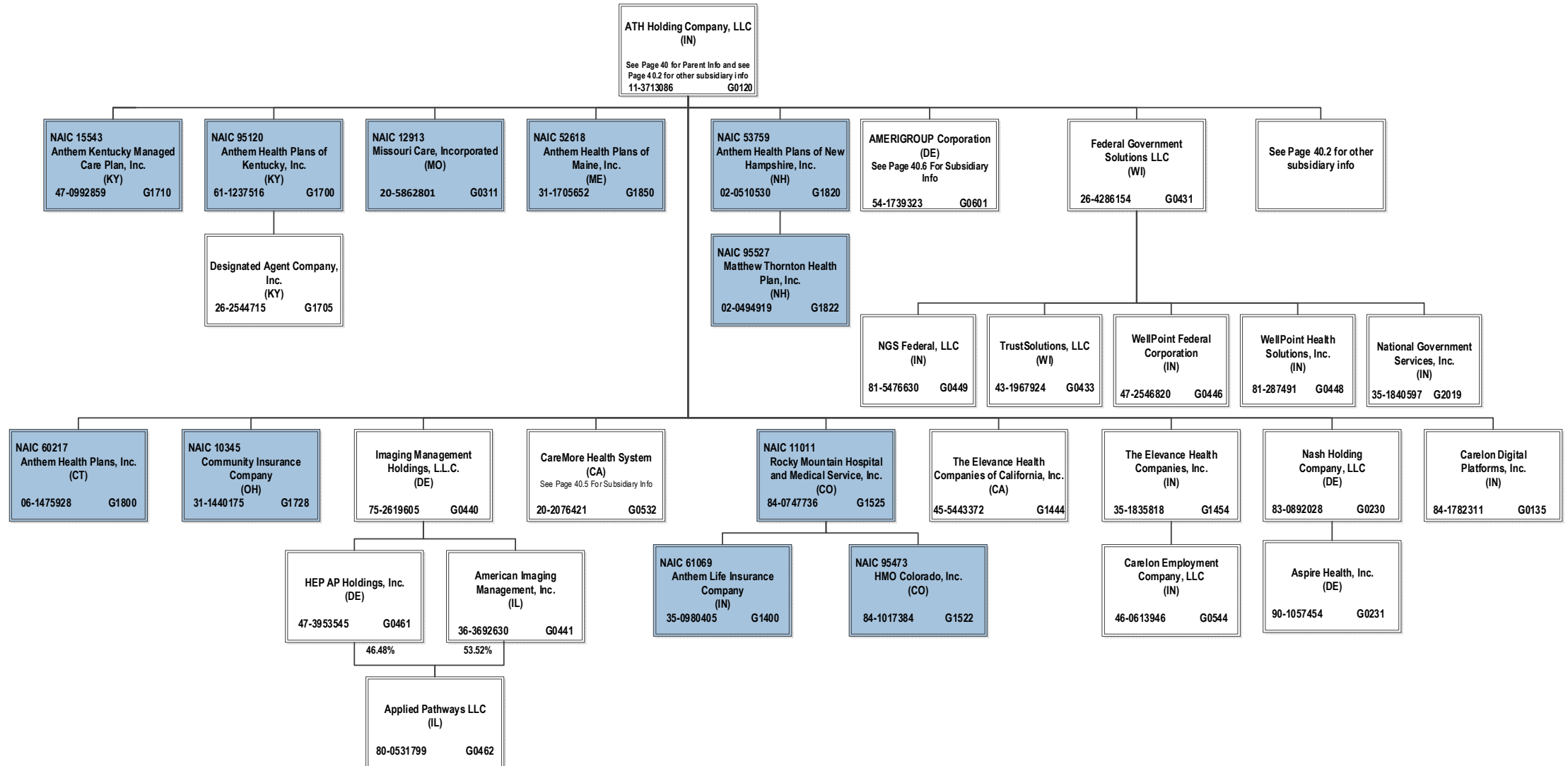
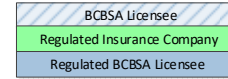


¹ HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

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

PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

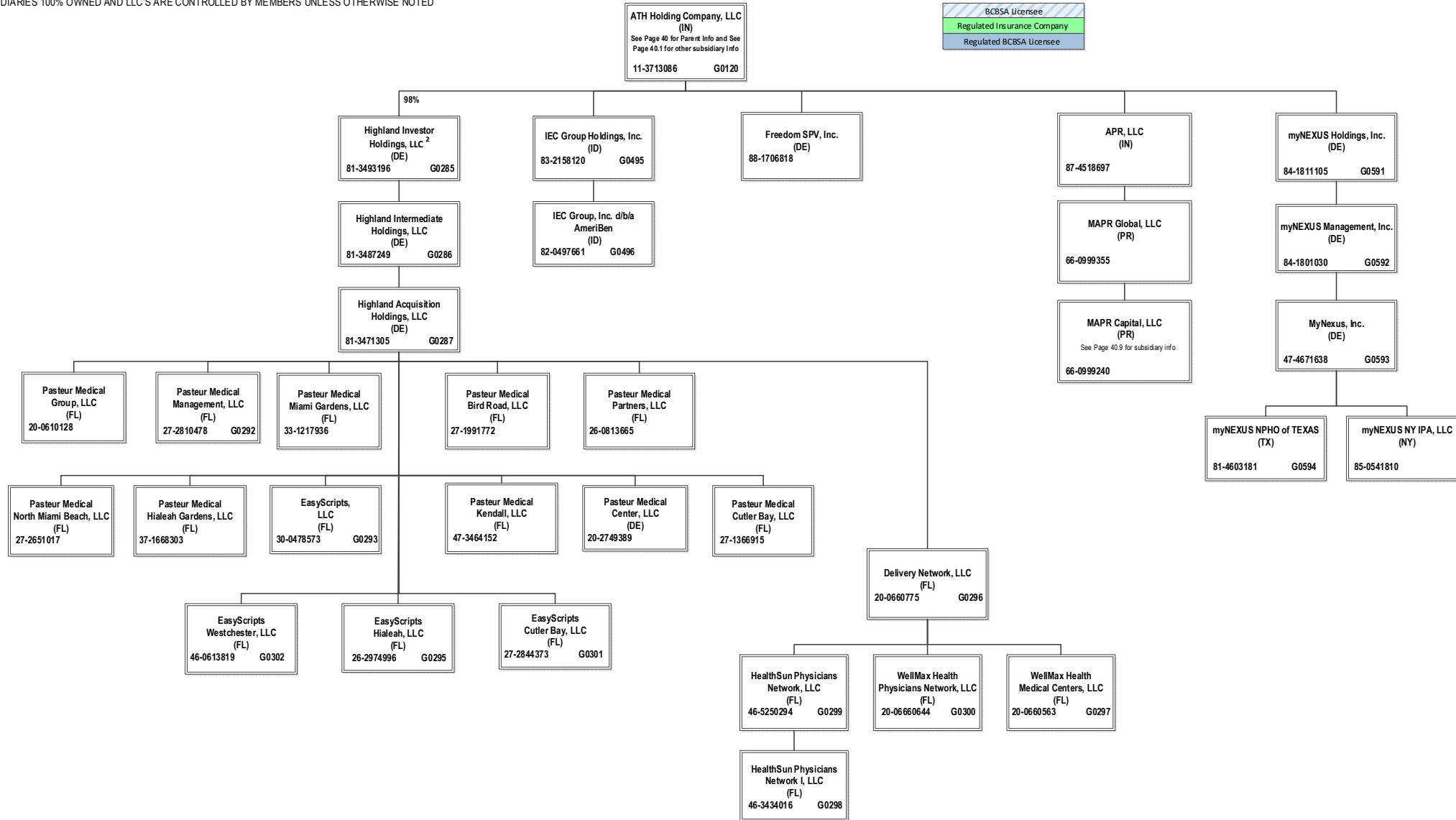


40.1

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

PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



² ATH Holding Company, LLC holds a 98% interest in Highland Investor Holdings, LLC, and Amerigroup Corporation holds the remaining 2% interest.

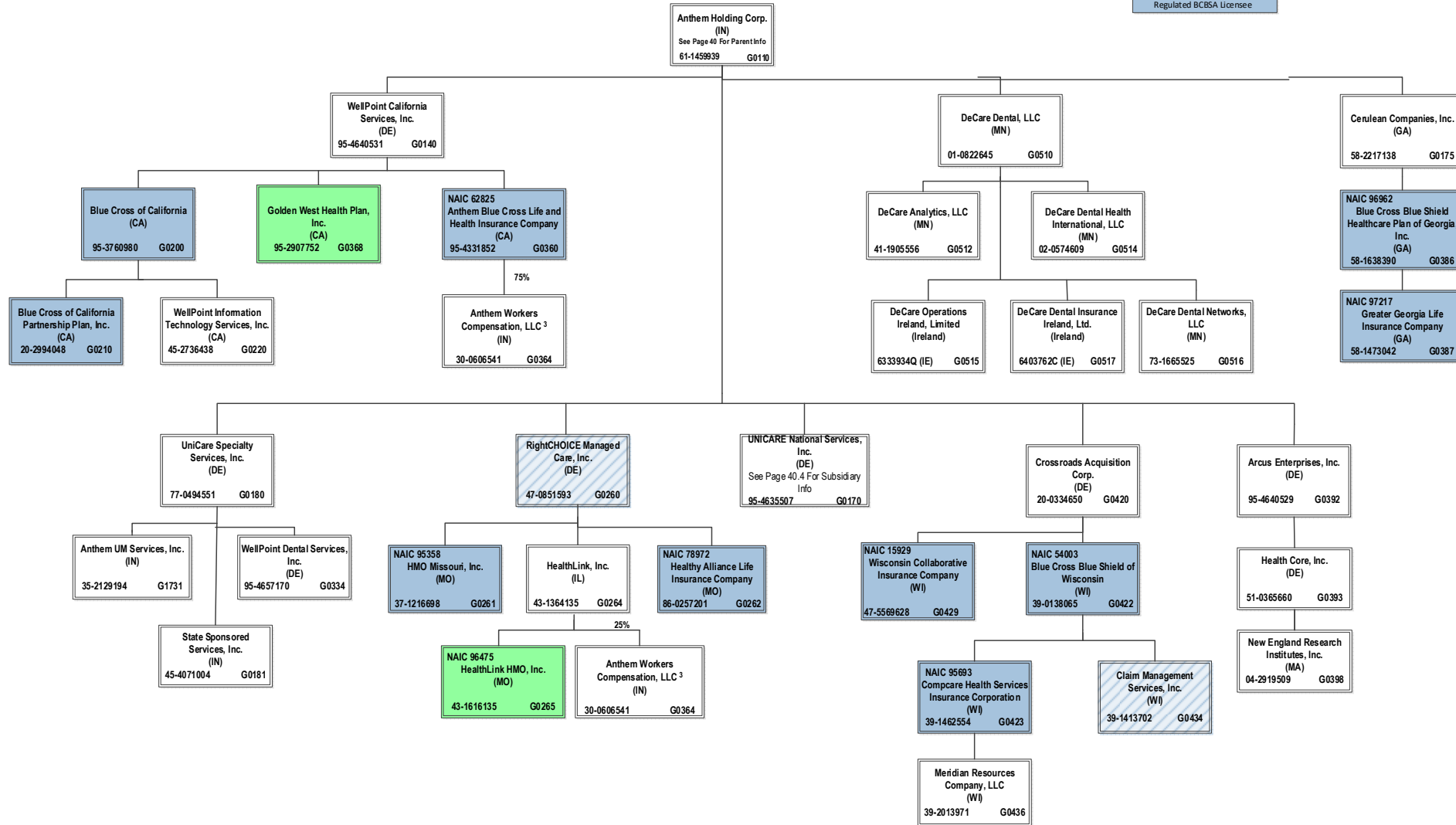
40.2

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

PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee



³ Anthem Workers' Compensation, LLC is owned 75% by Anthem Blue Cross Life and Health Insurance Company and 25% by HealthLink, Inc.

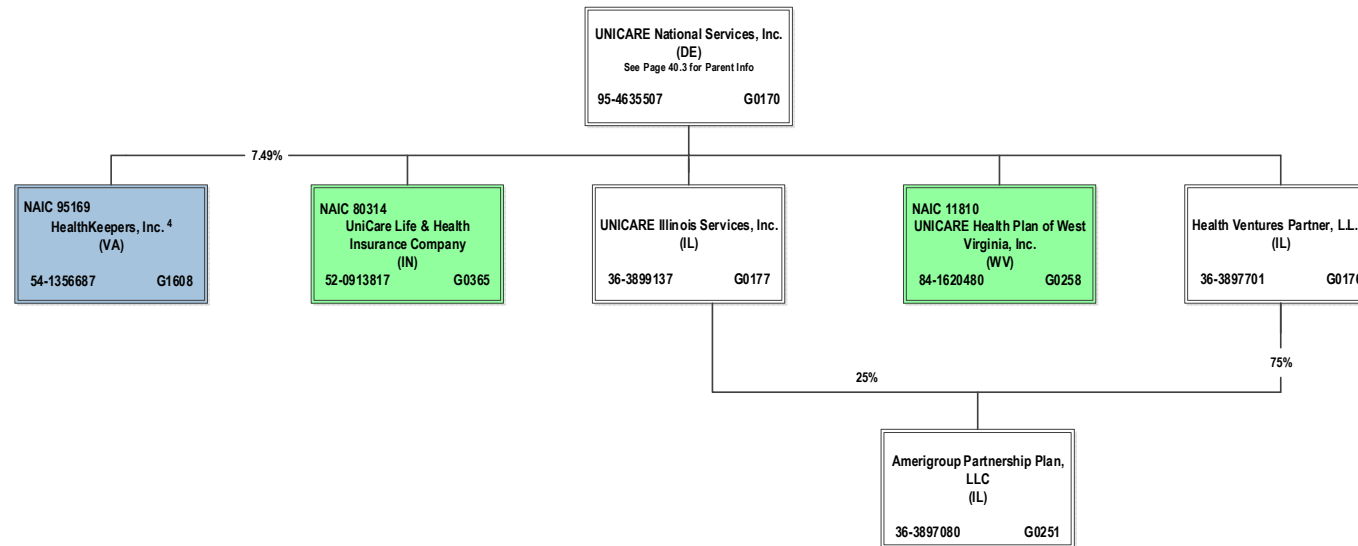
40.3

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

PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

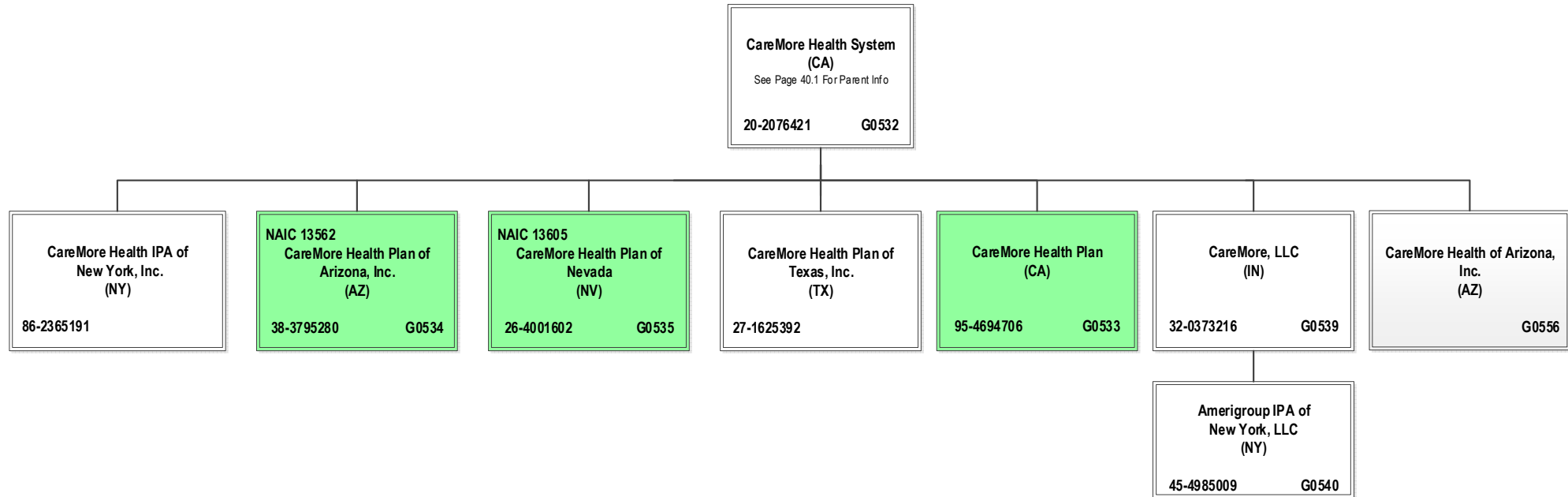


⁴ HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

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

BCBSA Licensee
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ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

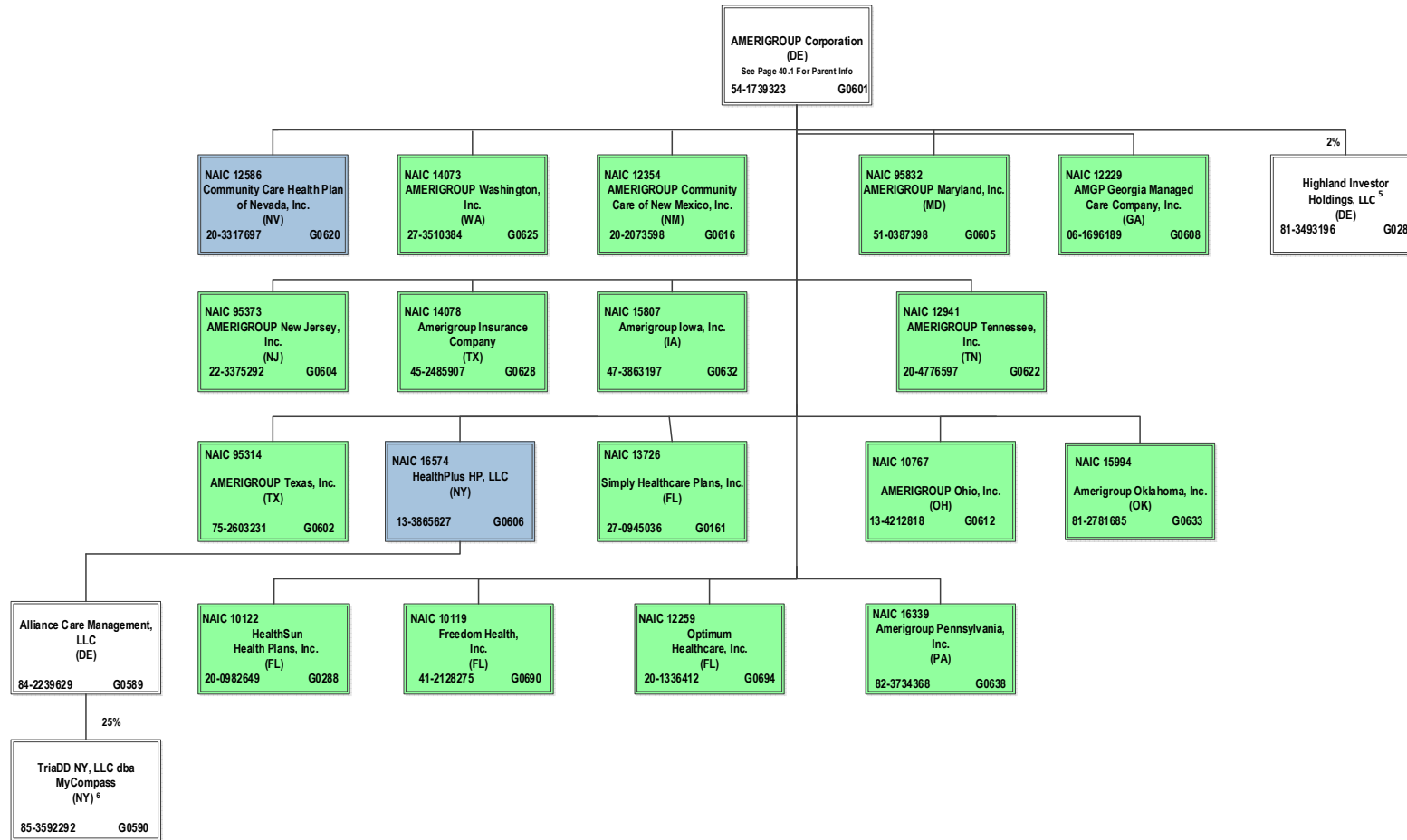


40.5

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
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40.6

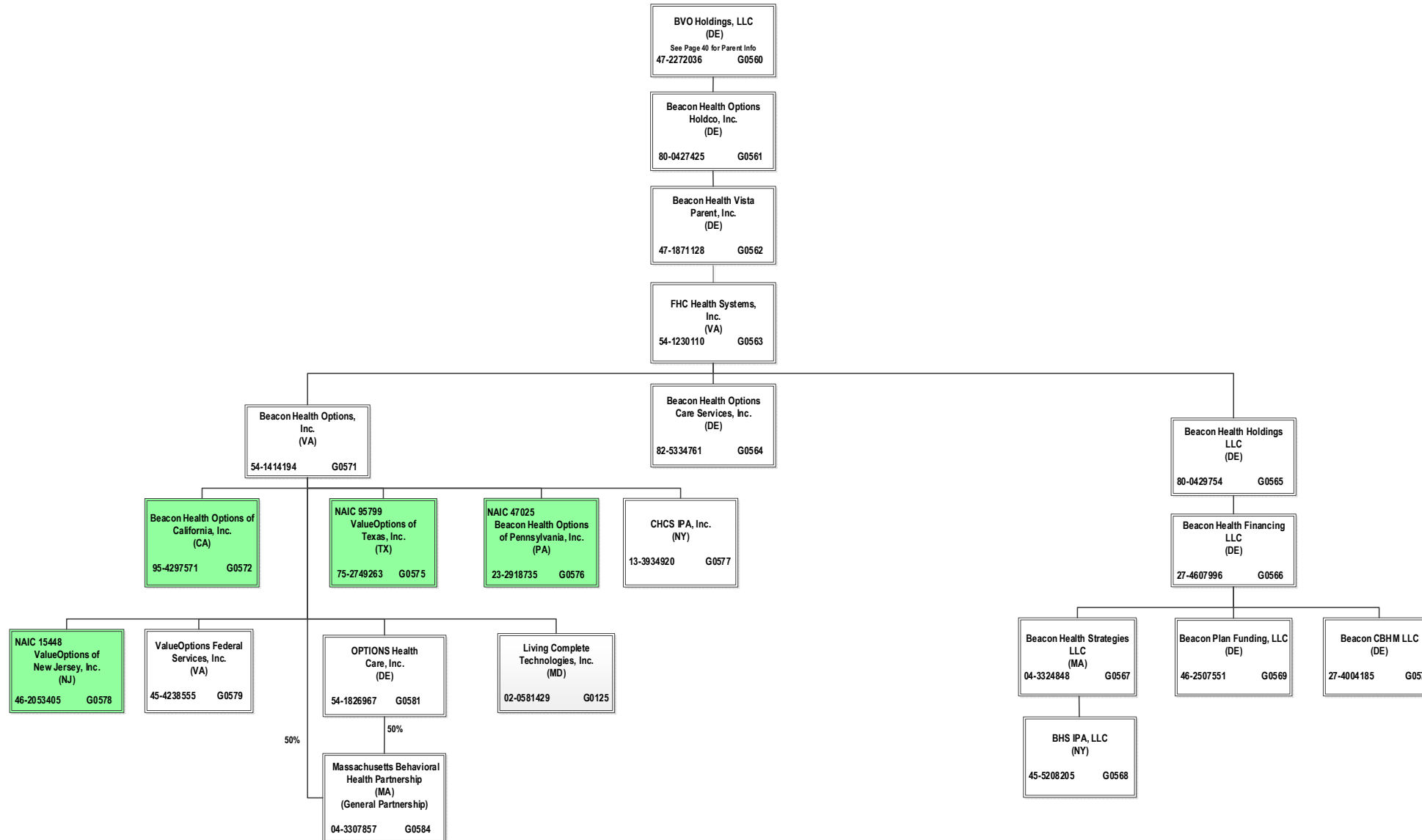
⁵ Amerigroup Corporation holds a 2% interest in Highland Investor Holdings, LLC, and ATH Holding Company, LLC holds the remaining 98% interest.

⁶ TriaDD NY, LLC dba MyCompass is 25% owned by Alliance Care Management, LLC and the remaining 75% interest is owned by unaffiliated investors.

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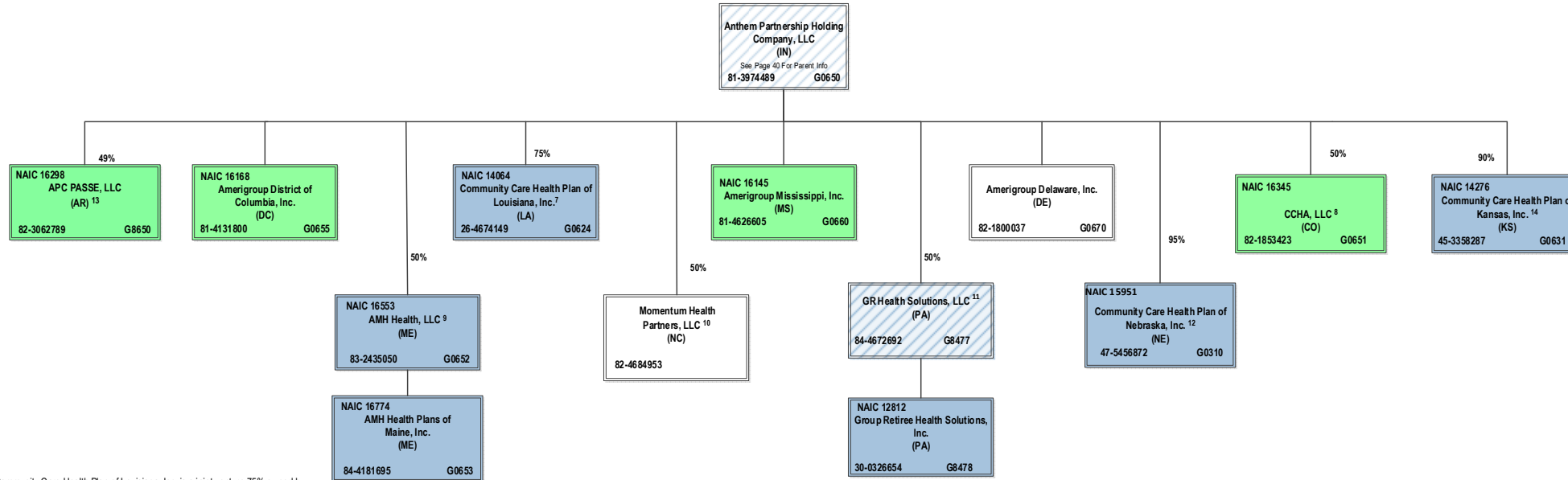


SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

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⁷ Community Care Health Plan of Louisiana, Inc. is a joint venture 75% owned by Anthem Partnership Holding Company, LLC and 25% owned by Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana (non-affiliate)

⁸ CCHA, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Colorado Community Health Alliance, LLC (non-affiliate)

⁹ AMH Health, LLC is a joint venture 50% owned by MaineHealth (non-affiliate) and 50% owned by Anthem Partnership Holding Company, LLC

¹⁰ Momentum Health Partners, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Blue Cross and Blue Shield of North Carolina (non-affiliate)

¹¹ GR Health Solutions, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Independence Blue Cross, LLC (non-affiliate)

¹² Community Care Health Plan of Nebraska, Inc. is a joint venture 95% owned by Anthem Partnership Holding Company, LLC and 5% owned by Blue Cross and Blue Shield of Nebraska, Inc. (non-affiliate)

¹³ APC PASSE, LLC (regulated entity) is a joint venture 49% owned by Anthem Partnership Holding Company, LLC and 51% owned by Arkansas Provider Coalition, LLC (non-affiliate)

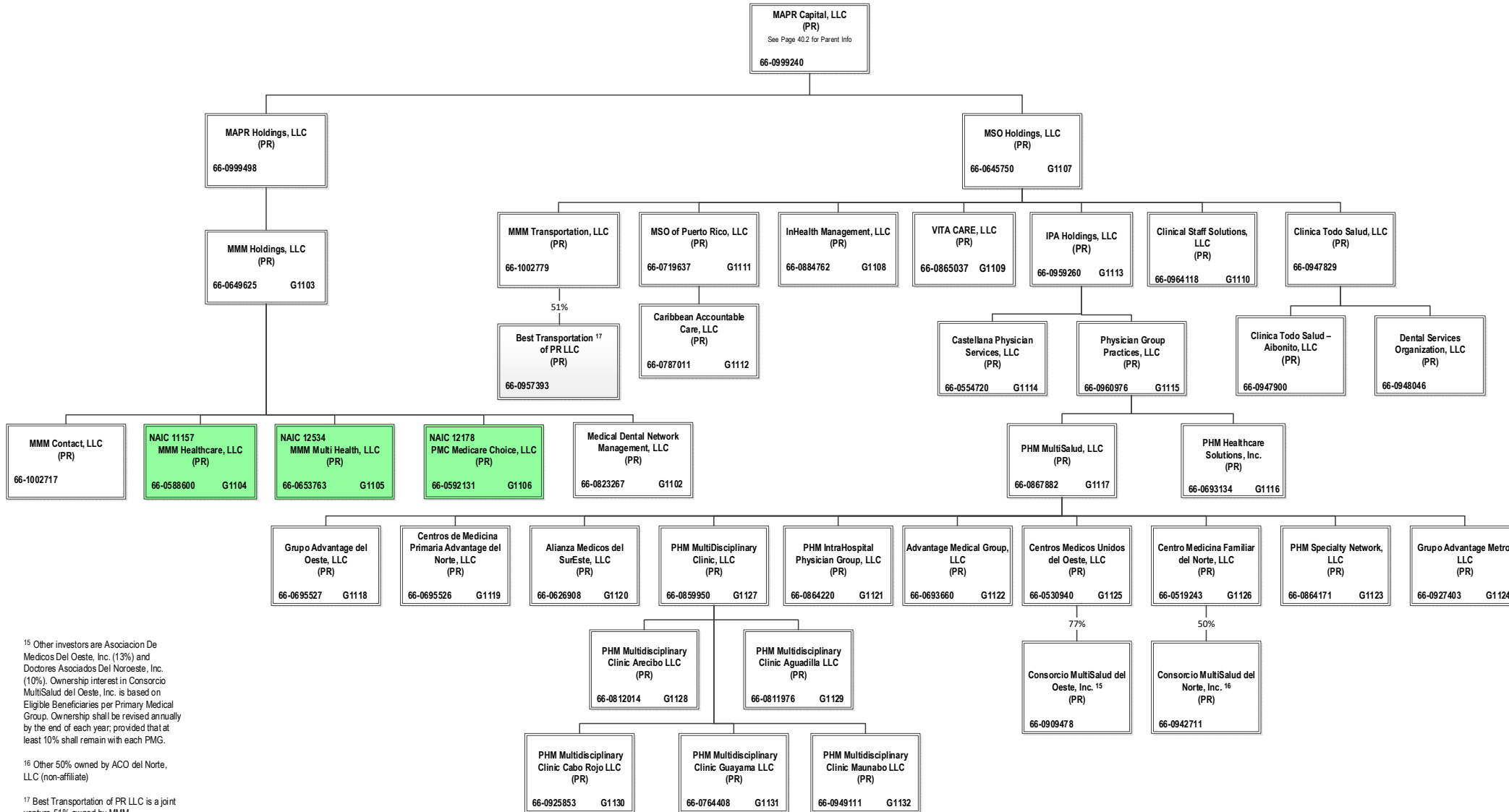
¹⁴ Community Care Health Plan of Kansas, Inc. is a joint venture 90% owned by Anthem Partnership Holding Company, LLC, 5% owned by Blue Cross and Blue Shield of Kansas (non-affiliate) and 5% owned by Blue Cross and Blue Shield of Kansas City (non-affiliate)

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

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¹⁵ Other investors are Asociacion De Medicos Del Oeste, Inc. (13%) and Doctores Asociados Del Noroeste, Inc. (10%). Ownership interest in Consorcio MultiSalud del Oeste, Inc. is based on Eligible Beneficiaries per Primary Medical Group. Ownership shall be revised annually by the end of each year, provided that at least 10% shall remain with each PMG.

¹⁶ Other 50% owned by ACO del Norte, LLC (non-affiliate)

¹⁷ Best Transportation of PR LLC is a joint venture 51% owned by MMM Transportation, LLC and 49% owned by Best Transportation of PR LLC

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504. New York assessment	445,312	0	445,312	277,251
2505. Miscellaneous receivables	210,704	5,466	205,238	0
2506. Blue Card program recoverable	172,582	25,055	147,527	0
2507. City income tax recoverable	143,451	0	143,451	4,054,393
2508. State income tax recoverable	148	0	148	337,902
2597. Summary of remaining write-ins for Line 25 from overflow page	972,197	30,521	941,676	4,669,546

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2304. Miscellaneous liability	391,294	0	391,294	115,602
2305. Out of area program payable	0	0	0	636,325
2397. Summary of remaining write-ins for Line 23 from overflow page	391,294	0	391,294	751,927