



# HEALTH QUARTERLY STATEMENT

AS OF JUNE 30, 2017

OF THE CONDITION AND AFFAIRS OF THE

## Maine Community Health Options

NAIC Group Code 0000 0000 NAIC Company Code 15077 Employer's ID Number 45-3416923  
(Current) (Prior)

Organized under the Laws of Maine, State of Domicile or Port of Entry ME

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health

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

Incorporated/Organized 09/26/2011 Commenced Business 01/01/2014

Statutory Home Office 150 Mill Street, Third Floor, Lewiston, ME, US 04240  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 150 Mill Street, Third Floor  
(Street and Number)  
Lewiston, ME, US 04240,  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address PO Box 1121, Lewiston, ME, US 04243-1121  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 150 Mill Street, Third Floor  
(Street and Number)  
Lewiston, ME, US 04240,  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.healthoptions.org

Statutory Statement Contact Charissa Michelle Kerr, 207-330-2390  
(Name) (Area Code) (Telephone Number)  
ckerr@healthoptions.org, 207-402-3318  
(E-mail Address) (FAX Number)

### OFFICERS

Chief Executive Officer Kevin Lewis Chief Human Resources Officer Joyce H McPhetres  
Chief Operating Officer Robert J Hillman Chief Financial Officer Edward J Vozzo

### OTHER

William Kilbreth, Chief Information Officer John Yindra, MD, Chief Medical Officer

### DIRECTORS OR TRUSTEES

<u>Dana Baldwin</u>	<u>Fred Craigie Dr.</u>	<u>Tonua Fedusenko</u>
<u>Sarah Hines</u>	<u>Joel Kallich #</u>	<u>Heidi Lukas #</u>
<u>Rocell Marcellino</u>	<u>Felicity Myers</u>	<u>David Shipman</u>
<u>David Shultz</u>	<u>W. Douglas Smith</u>	<u>Ronnie Weston</u>
<u>Douglas Wilson</u>	<u>Michael Woodard</u>	

State of Maine SS:  
County of Androscoggin

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

Kevin Lewis  
Chief Executive Officer

Edward Vozzo  
Chief Financial Officer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

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

Carrie Bolduc  
Notary  
08/2020

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	15,584,249		15,584,249	45,655,273
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	0
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				
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 (\$ .....5,402,443 ), cash equivalents (\$ ..... ) and short-term investments (\$ .....11,357,373 ) .....	16,759,816		16,759,816	19,466,958
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....	105,000	105,000	0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	32,449,065	105,000	32,344,065	65,122,231
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	55,996		55,996	172,032
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	19,145,892	857,424	18,288,468	2,631,390
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 (\$ .....13,538,245 ) and contracts subject to redetermination (\$ ..... ) .....	13,742,656	204,411	13,538,245	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	21,014,282		21,014,282	24,487,373
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	721,319	617,755	103,564	182,883
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	236,594	236,594	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 (\$ .....2,949,563 ) and other amounts receivable .....	8,897,558	276,115	8,621,443	9,389,222
25. Aggregate write-ins for other than invested assets .....	1,814,961	724,771	1,090,190	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	98,078,323	3,022,070	95,056,253	101,985,131
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	98,078,323	3,022,070	95,056,253	101,985,131
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. State Taxes Receivable .....	1,090,190		1,090,190	
2502. Prepaid Expenses .....	707,635	707,635	0	0
2503. Security Deposits .....	17,136	17,136	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	1,814,961	724,771	1,090,190	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... reinsurance ceded) .....	27,780,878		27,780,878	49,765,001
2. Accrued medical incentive pool and bonus amounts .....	220,000		220,000	589,370
3. Unpaid claims adjustment expenses .....	634,803		634,803	1,191,989
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	5,000,017		5,000,017	0
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	4,147,243		4,147,243	3,177,520
9. General expenses due or accrued .....	3,749,190		3,749,190	6,407,416
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability .....			0	0
11. Ceded reinsurance premiums payable .....	417,152		417,152	2,085,759
12. Amounts withheld or retained for the account of others .....	5,514		5,514	10,355
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....			0	0
16. Derivatives .....			0	0
17. Payable for securities .....			0	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ ..... unauthorized reinsurers and \$ ..... 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 \$ ..... current) .....	174,915	0	174,915	140,428
24. Total liabilities (Lines 1 to 23) .....	42,129,712	0	42,129,712	63,367,838
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
26. Common capital stock .....	XXX	XXX		
27. Preferred capital stock .....	XXX	XXX		
28. Gross paid in and contributed surplus .....	XXX	XXX		
29. Surplus notes .....	XXX	XXX	132,316,124	132,316,124
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(79,389,583)	(93,698,831)
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	52,926,541	38,617,293
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	95,056,253	101,985,131
<b>DETAILS OF WRITE-INS</b>				
2301. Risk Adjustment User Fee Payable .....	174,915		174,915	140,428
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above) .....	174,915	0	174,915	140,428
2501. Estimated ACA Insurer Fee .....	XXX	XXX		0
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 through 2503 plus 2598)(Line 25 above) .....	XXX	XXX	0	0
3001. ....	XXX	XXX		
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 through 3003 plus 3098)(Line 30 above) .....	XXX	XXX	0	0

## STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	XXX	265,286	493,925	925,926
2. Net premium income ( including \$ non-health premium income)	XXX	144,314,176	206,400,274	377,296,166
3. Change in unearned premium reserves and reserve for rate credits	XXX	0	187,054	187,054
4. Fee-for-service (net of \$ medical expenses)	XXX			
5. Risk revenue	XXX			
6. Aggregate write-ins for other health care related revenues	XXX	0	114,616	362,947
7. Aggregate write-ins for other non-health revenues	XXX	0	(40,394)	(40,394)
8. Total revenues (Lines 2 to 7)	XXX	144,314,176	206,661,550	377,805,773
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits		65,412,564	142,446,856	232,852,454
10. Other professional services		7,138,700	12,166,094	28,971,093
11. Outside referrals		3,997	10,874,098	967,421
12. Emergency room and out-of-area		20,854,079	13,782,514	73,222,275
13. Prescription drugs		16,521,112	28,153,484	62,971,628
14. Aggregate write-ins for other hospital and medical	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		8,359	213,940	508,857
16. Subtotal (Lines 9 to 15)	0	109,938,811	207,636,986	399,493,728
<b>Less:</b>				
17. Net reinsurance recoveries		1,343,088	5,085,573	23,544,442
18. Total hospital and medical (Lines 16 minus 17)	0	108,595,723	202,551,413	375,949,286
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$ 2,200,054 cost containment expenses		6,396,638	9,362,152	16,883,743
21. General administrative expenses		15,228,738	20,852,375	42,679,506
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			(22,531,840)	(43,072,541)
23. Total underwriting deductions (Lines 18 through 22)	0	130,221,099	210,234,100	392,439,994
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	14,093,077	(3,572,550)	(14,634,221)
25. Net investment income earned		191,635	302,815	656,267
26. Net realized capital gains (losses) less capital gains tax of \$		(132,494)	(9,452)	(8,493)
27. Net investment gains (losses) (Lines 25 plus 26)	0	59,141	293,363	647,774
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ 1,538,841 ) (amount charged off \$ )]		(1,538,841)		
29. Aggregate write-ins for other income or expenses	0	0	0	0
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	12,613,377	(3,279,187)	(13,986,447)
31. Federal and foreign income taxes incurred	XXX			
32. Net income (loss) (Lines 30 minus 31)	XXX	12,613,377	(3,279,187)	(13,986,447)
<b>DETAILS OF WRITE-INS</b>				
0601. User Fee Revenue – Contraceptive Claims	XXX		114,616	362,947
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX	0	114,616	362,947
0701. Loss on Sale of Fixed Asset	XXX		(40,394)	(40,394)
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above)	XXX	0	(40,394)	(40,394)
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	0	0	0
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0	0	0

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	38,617,293	49,783,794	49,783,794
34. Net income or (loss) from Line 32.....	12,613,377	(3,279,187)	(13,986,447)
35. Change in valuation basis of aggregate policy and claim reserves.....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....			
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....			
39. Change in nonadmitted assets.....	1,695,871	(887,203)	2,819,946
40. Change in unauthorized and certified reinsurance.....	0	0	0
41. Change in treasury stock.....	0	0	0
42. Change in surplus notes.....	0	0	0
43. Cumulative effect of changes in accounting principles.....			
44. Capital Changes:			
44.1 Paid in.....	0	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0	0
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....	0	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	0
48. Net change in capital & surplus (Lines 34 to 47).....	14,309,248	(4,166,390)	(11,166,501)
49. Capital and surplus end of reporting period (Line 33 plus 48)	52,926,541	45,617,404	38,617,293
<b>DETAILS OF WRITE-INS</b>			
4701. ....			
4702. ....			
4703. ....			
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)	0	0	0

## STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	118,563,906	198,980,276	373,495,328
2. Net investment income .....	365,865	277,138	885,001
3. Miscellaneous income .....	0	74,221	322,553
4. Total (Lines 1 to 3) .....	118,929,771	199,331,635	374,702,882
5. Benefit and loss related payments .....	127,476,125	186,874,335	370,220,927
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	26,379,629	31,126,300	59,183,092
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	0	0
10. Total (Lines 5 through 9) .....	153,855,754	218,000,635	429,404,019
11. Net cash from operations (Line 4 minus Line 10) .....	(34,925,983)	(18,669,000)	(54,701,137)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	37,901,986	2,641,950	34,776,454
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	37,901,986	2,641,950	34,776,454
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	8,021,650	38,384,700	39,384,381
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	8,021,650	38,384,700	39,384,381
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	29,880,336	(35,742,750)	(4,607,927)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied) .....	2,338,505	2,377,827	2,370,060
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	2,338,505	2,377,827	2,370,060
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(2,707,142)	(52,033,923)	(56,939,004)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	19,466,958	76,405,962	76,405,962
19.2 End of period (Line 18 plus Line 19.1) .....	16,759,816	24,372,039	19,466,958

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

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**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION**

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>Total Members at end of:</b>										
1. Prior Year .....	67,539	51,538	16,001	0	0	0	0	0	0	0
2. First Quarter .....	44,015	33,497	10,518	0	0	0	0	0	0	0
3. Second Quarter .....	41,066	31,413	9,653							
4. Third Quarter .....	0									
5. Current Year	0									
6. Current Year Member Months	265,286	201,343	63,943							
<b>Total Member Ambulatory Encounters for Period:</b>										
7. Physician .....	99,018	77,734	21,284							
8. Non-Physician .....	47,197	36,583	10,614							
9. Total	146,215	114,317	31,898	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	2,762	2,349	413							
11. Number of Inpatient Admissions	708	580	128							
12. Health Premiums Written (a) .....	145,224,146	118,347,210	26,876,936							
13. Life Premiums Direct .....	0									
14. Property/Casualty Premiums Written .....	0									
15. Health Premiums Earned .....	145,224,146	118,347,210	26,876,936							
16. Property/Casualty Premiums Earned .....	0									
17. Amount Paid for Provision of Health Care Services.....	130,913,342	105,601,991	25,311,351							
18. Amount Incurred for Provision of Health Care Services	109,938,811	87,774,928	22,163,883							

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



**UNDERWRITING AND INVESTMENT EXHIBIT**

**ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE**

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	43,023,271	90,773,893	1,050,368	26,730,510	44,073,639	49,765,001
2. Medicare Supplement .....					0	0
3. Dental Only .....					0	0
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....					0	0
6. Title XVIII - Medicare .....					0	0
7. Title XIX - Medicaid .....					0	0
8. Other health .....					0	0
9. Health subtotal (Lines 1 to 8) .....	43,023,271	90,773,893	1,050,368	26,730,510	44,073,639	49,765,001
10. Healthcare receivables (a) .....		3,225,678			0	0
11. Other non-health .....					0	0
12. Medical incentive pools and bonus amounts .....	377,730		0	220,000	377,730	589,370
13. Totals (Lines 9-10+11+12)	43,401,001	87,548,215	1,050,368	26,950,510	44,451,369	50,354,371

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

## NOTES TO FINANCIAL STATEMENTS

For purposes of the quarterly interim financial information, it is presumed that the users of the interim financial information have read or have access to the Annual Statement as of December 31, 2016. This presentation addresses only significant events occurring since the last Annual Statement.

## 1. Summary of Significant Accounting Policies and Going Concern

### A. Accounting Practices

The accompanying financial statements of Maine Community Health Options (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 Maine Bureau of Insurance (the "Bureau").

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

		SSAP #	F/S Page	F/S Line	2017	2016
<b>NET INCOME</b>						
(1)	Company state basis (Page 4, Line 32, Columns 2 & 4)				12,613,377	(13,986,447)
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP					
(3)	State Permitted Practices that increase/(decrease) NAIC SAP					
(4)	NAIC SAP (1-2-3=4)				12,613,377	(13,986,447)
<b>SURPLUS</b>						
(5)	Company state basis (Page 3, Line 33, Columns 3 & 4)				52,926,541	38,617,293
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP					
(7)	State Permitted Practices that increase/(decrease) NAIC SAP					
(8)	NAIC SAP (5-6-7=8)				52,926,541	38,617,293

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

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

### C. Accounting Policy

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed by pro rata methods for direct business. 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 are subject to approval by the Bureau. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, 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 at the date of acquisition and are reported at amortized cost, which approximates fair value.
- 2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the scientific interest method, using yield to maturity.

**NOTES TO FINANCIAL STATEMENTS**

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- 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 on real estate.
- 6) The Company has no investments in loan-backed securities.
- 7) The Company has no investments in subsidiaries, controlled and affiliated entities.
- 8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- 9) The Company has no derivative instruments.
- 10) The Company does not currently carry a premium deficiency reserve; therefore use of anticipated investment income as a factor in the calculation is not applicable.
- 11) Unpaid claims and claims adjustment expenses included management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considered 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. While 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 continuously reviewed and changes in estimates are incorporated into current period estimates.
- 12) Furniture, equipment and software are capitalized at cost for items greater than \$2000. Depreciation is recorded using the straight-line method over the various assets' estimated useful lives, which range from 2 to 5 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized, while maintenance and repairs are charged to expense as incurred.
- 13) Pharmaceutical rebate receivables are recorded when earned based on actual rebate receivables billed and an estimate of receivables based on current utilization of specific pharmaceuticals and provider contract terms.

**D. Going Concern**

Not applicable.

**2. Accounting Changes and Corrections of Errors**

**A. Accounting Changes**

There were no accounting changes during the six months ended June 30, 2017.

**B. Corrections of Errors**

There were no corrections of errors during the six months ended June 30, 2017.

**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

**NOTES TO FINANCIAL STATEMENTS**

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**4. Discontinued Operations**

Not Applicable

**5. Investments**

**A. Mortgage Loans, Including Mezzanine Real Estate Loans**

The Company did not have investments in mortgage loans at June 30, 2017.

**B. Debt Restructuring**

The Company did not have invested assets that were restructured debt at June 30, 2017.

**C. Reverse Mortgages**

The Company did not have investments in reverse mortgages at June 30, 2017.

**D. Loan-Backed Securities**

- (1) Prepayment assumptions for mortgage/loan-backed and structured securities were obtained from broker-dealer survey values or internal estimates.
- (2) The company did not recognize other-than-temporary impairments on its loaned-backed securities during the six months ended June 30, 2017.
- (3) The Company did not hold other-than-temporarily impaired loan-backed securities at June 30, 2017.
- (4) The Company had no impaired securities for which other-than-temporary impairment had not been recognized in earnings as a realized loss at June 30, 2017.
- (5) The Company had no impaired loaned-backed securities at June 30, 2017.

**E. Repurchase Agreements and/or Securities Lending Transactions**

- (1) The Company did not have any repurchase agreements at June 30, 2017.
- (2) Not applicable.
- (3) Neither the Company nor its agent has accepted collateral that is permitted by contract or custom to sell or re-pledge as of June 30, 2017.
- (4) Not applicable.
- (5) There were no significant changes for the six months ended June 30, 2017.
- (6) Not applicable.
- (7) Not applicable.

**F. Real Estate**

The Company did not have investments in real estate at June 30, 2017.

**G. Investments in Low-Income Housing Tax Credits**

The Company did not invest in properties generating low-income housing tax credits during the six months ended June 30, 2017.

**H. Restricted Assets**

There were no significant changes for the six months ended June 30, 2017.

**I. Working Capital Finance Investments**

The Company did not have any working capital finance investments at June 30, 2017.

**NOTES TO FINANCIAL STATEMENTS**

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**J. Offsetting and Netting of Assets and Liabilities**

The company did not have any offsetting and netting of financial assets or liabilities at June 30, 2017.

**K. Structured Notes**

The company did not have any structured notes at June 30, 2017.

**L. 5\* Securities**

The company did not have any 5\* securities at June 30, 2017.

**6. Joint Ventures, Partnerships and Limited Liability Companies**

There were no significant changes for the six months ended June 30, 2017.

**7. Investment Income**

There were no significant changes for the six months ended June 30, 2017.

**8. Derivative Instruments**

There were no significant changes for the six months ended June 30, 2017.

**9. Income Taxes**

The Company is exempt from Federal income taxes under Section 501(c)(29) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Company's federal income tax return is not consolidated with any other entity.

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

There were no significant changes for the six months ended June 30, 2017.

**11. Debt**

**A. Capital Notes**

The company had no capital notes outstanding at June 30, 2017.

**B. FHLB (Federal Home Loan Bank) Agreements**

The Company had no FHLB Agreements at June 30, 2017.

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

**A. Defined Benefit Plan**

Not Applicable

**B. Defined Benefit Plan Investment Policies and Strategies**

Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

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**C. Defined Benefit Plan Fair Value of Assets**

Not Applicable

**D. Defined Benefit Plan Basis Used to Determine the Overall Expected Rate of Return on Assets Assumption**

Not Applicable

**E. Defined Contribution Plan:**

The Company maintains a Section 401(k) Retirement Plan for its employees. Elective employee deferrals were matched by the Company in an amount equal to 100% of such deferrals up to a maximum match of 3% of compensation plus 50% of such elective deferrals equal to more than 3% but not exceeding 5% of compensation. The Company's contribution to the plan as of June 30, 2017 was \$149,082.

The Company has a Section 457 (b) Plan for its employees. This Plan limits participation to a select group of management or highly compensated employees (or "top hat" group) and is exempt from most ERISA requirements. The Company made an initial deposit of \$105,000 in 2014. As of June 30, 2017 the fair market value of the account is \$125,128. These funds have not been appropriated to any specific employee as of June 30, 2017.

**F. Multiemployer Plans**

Not Applicable

**G. Consolidating/Holding Company Plans**

Not Applicable

**H. Postemployment Benefits and Compensated Absences**

Liabilities for earned not yet taken vacation benefits have been accrued as of June 30, 2017.

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

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

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

1. Outstanding Shares: Not Applicable.
2. Preferred Stock: Not Applicable.
3. Dividend Restrictions: Not Applicable.
4. Dividends Paid: Not Applicable.
5. Maximum Ordinary Dividend: Not Applicable.
6. Unassigned Surplus Restrictions: Not Applicable.
7. Mutual Surplus Advances: Not Applicable.
8. Company Stock Held for Special Purpose: Not Applicable.
9. The changes in the balances of surplus funds from prior year are due to the accrual of estimated ACA health insurer fees.
10. Changes in Unassigned Funds: Not Applicable.
11. The Company issued the following surplus debentures or similar obligations

1 Date Issued	2 Interest Rate	3 Par Value (Face Amount of Notes)	4 Carrying Value of Note*	5 Interest And/Or Principal Paid Current Year	6 Total Interest And/Or Principal Paid	7 Unapproved Interest And/Or Principal	8 Date of Maturity
03/23/2012	0.370	132,316,124	132,316,124	0	0	1,019,636	2/24/2028
Total		132,316,124	132,316,124	0	0	1,019,636	

At June 30, 2017 and 2016, the Surplus Note had a carrying value of \$132,316,124 and \$132,316,124. Included in the balance is \$12,506,124 converted on December 15<sup>th</sup> 2015 from a start-up loan to a surplus note. The repayments terms for the \$12,506,124 was set to begin March 29<sup>th</sup> 2017, each individual draw is repayable five (5) years from the date of the draw. The payment was not authorized by the State of Maine Bureau of Insurance. For the remaining \$119,810,000 of the Surplus Note, each individual draw is repayable fifteen (15) years from the date of the draw. Accrued interest payments are due annually beginning in February 2019 for draws made prior to 2015. The Surplus Note carries interest at 0.37%.

The Surplus Note has the following repayment conditions and restrictions: Each payment of interest on and principal of the Surplus Note may be made only with the prior approval of the Commissioner of Insurance of the State of Maine and only to the extent the Company has sufficient surplus earning to make such payment. During 2017 and 2016, the Company made no interest or principal payments and, because interest payments have not been approved by the Commissioner of Insurance, accrued interest on the Surplus Note is excluded from these financial statements.

The Surplus Note has the following subordination terms: Because the intent of the Note is to provide financing that meets the definition of "risk based capital" for State Insurance Laws purposes, the Note will have a claim on cash flow and reserves of the Company that is subordinate to (a) claims payments, (b) basic operating expenses, and (c) maintenance of required reserve funds while the Company is operating as a CO-OP under State Insurance Laws.

- 12) Restatement Due to Prior Quasi-Reorganizations – no change
- 13) Quasi-Reorganizations over Prior 10 Years – no change

**14. Liabilities, Contingencies and Assessments**

There were no significant changes for the six months ended June 30, 2017.

## NOTES TO FINANCIAL STATEMENTS

**15. Leases**

There were no significant changes for the six months ended June 30, 2017.

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

The company had no financial instruments with off-balance sheet risk at June 30, 2017.

**17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities****A. Transfers of Receivables Reported as Sales**

Not applicable at June 30, 2017.

**B. Transfer and Servicing of Financial Assets**

(1) There were no significant changes for the six months ended June 30, 2017.

(2) - (7) Not Applicable.

**C. Wash Sales**

(1) The Company did not have any wash sales for the period ending June 30, 2017.

(2) Not applicable.

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

A. Administrative Services Only Plans: Not Applicable.

B. Administrative Services Contract Plans: Not Applicable.

C. Medicare or Similarly Structured Cost-Based Reimbursement Contract: Not Applicable.

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

Name and Address of Managing General Agent or Third Party Administrator	FEIN NUMBER	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premiums Written/Produced By
Dubraski & Associates Insurance Services, LLC 11622 El Camino Real, Suite 100 San Diego, CA 92130	20-1994280	YES	Reinsurance Recoveries	R	909,970
Total					909,970

C - Claims Payment

CA -Claims Adjustment

R - Reinsurance Ceding

B - Binding Authority

P - Premium Collection

U - Underwriting

## NOTES TO FINANCIAL STATEMENTS

**20. Fair Value Measurements****A. Fair Value Measurements**

The company had no material assets or liabilities valued at fair value at June 30, 2017

**B. Fair Value Measurements Under Other Accounting Pronouncements**

The company had no material assets or liabilities valued at fair value at June 30, 2017

**C. Financial Instruments**

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets				Not Practicable
			(Level 1)	(Level 2)	(Level 3)	(Carrying Value)
Bonds	15,561,287	15,584,249	-----	15,584,249	-----	
Short-term Investments	11,357,373	11,357,373	11,357,373	-----	-----	

All valuations noted above employ a market approach. Level 1 valuations are based on readily determinable fair values based on quoted prices in active markets for the corresponding instruments. Level 2 valuations are inputs other than Level 1 that are based on observable market data. These include: quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, inputs that are observable that are not prices (such as interest rates and credit risks) and inputs that are derived from or corroborated by observable markets. Level 3 valuations are based on the assumption that carrying value for the respective instruments approximates the exit price which would be required in order for the Company's position in these instruments to be relieved; this assumption is deemed reasonable given the short period of time that has passed to-date since the various instruments were first issued.

**D. Not Practicable to Estimate Fair Value**

There are not financial instruments that were not practicable to estimate fair value.

**21. Other Items**

A. **Unusual or Infrequent Items:** Not Applicable.

B. **Troubled Debt Restructuring: Debtors:** Not Applicable.

C. **Other Disclosures:**

Bonds with an amortized cost of \$110,322 and \$110,142 were on deposit with a regulatory authority at June 30, 2017 and 2016.

D. **Business Interruption Insurance Recoveries:** Not Applicable.

E. **State Transferable and Non-transferable Tax Credits:** Not Applicable.

F. **Subprime Mortgage-Related Risk Exposure:** Not Applicable.

G. **Retained Assets:** Not Applicable.

H. **Insurance-Linked Securities (ILS) Contracts:** Not Applicable.

**22. Events Subsequent**

There were no events occurring subsequent to June 30, 2017 requiring disclosure. Subsequent events have been considered through August 11, 2017 for the statutory statements issued on August 14, 2017.

**NOTES TO FINANCIAL STATEMENTS**

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**23. Reinsurance**

**A. Ceded Reinsurance Report.**

Section 1 – General Interrogatories

There were no significant changes for the six months ended June 30, 2017.

Section 2 – Ceded Reinsurance Report – Part A

There were no significant changes for the six months ended June 30, 2017.

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

Not applicable

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 ( X )                      No (   )

**B. Uncollectible Reinsurance**

There were no significant changes for the six months ended June 30, 2017.

**C. Commutation of Ceded Reinsurance**

There were no significant changes for the six months ended June 30, 2017.

**D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation**

There were no significant changes for the six months ended June 30, 2017.

**24. Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. Not applicable at June 30, 2017.

B. Not applicable at June 30, 2017.

C. Not applicable at June 30, 2017.

D. The Company had no medical loss rebate accruals at June 30, 2017.

## NOTES TO FINANCIAL STATEMENTS

## E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? Yes

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

	AMOUNT
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	13,538,243
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	34,487
3. Premium adjustments payable due to ACA Risk Adjustment	4,420,668
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	9,117,576
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	34,487
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	1,950,265
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	0
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium .	0
5. Ceded reinsurance premiums payable due to ACA Reinsurance	0
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	0
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	0
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	1,950,265
9. ACA Reinsurance contributions – not reported as ceded premium	0
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	0
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	0
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	0
4. Effect of ACA Risk Corridors on change in reserves for rate credits	0

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

NOTES TO FINANCIAL STATEMENTS

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

	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
					5	6	7	8			
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable .....	0	0	0	0	0	0	13,538,245		A	13,538,245	0
2. Premium adjustments (payable) .....	0	0	0	0	0	0	4,420,669		B	0	4,420,669
3. Subtotal ACA Permanent Risk Adjustment Program .....	0	0	0	0	0	0	13,538,245	4,420,669		13,538,245	4,420,669
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid .....	22,470,572	0	3,450,971	0	19,019,601	0	1,950,265	0	C	20,969,866	0
2. Amounts recoverable for claims unpaid (contra liability) .....	1,600,000	0	1,600,000	0	0	0	0	0	D	0	0
3. Amounts receivable relating to uninsured plans .....	0	0	0	0	0	0	0	0	E	0	0
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium .....	0	0	0	0	0	0	0	0	F	0	0
5. Ceded reinsurance premiums payable .....	0	0	0	0	0	0	0	0	G	0	0
6. Liability for amounts held under uninsured plans ..	0	0	0	0	0	0	0	0	H	0	0
7. Subtotal ACA Transitional Reinsurance Program ....	24,070,572	0	5,050,971	0	19,019,601	0	1,950,265	0		20,969.866	0
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium .....	205,755	0	1,344	0	204,411	0	0	0	I	204,411	0
2. Reserve for rate credits or policy experience rating refunds .....	0	0	0	0	0	0	0	0	J	0	0
3. Subtotal ACA Risk Corridors Program .....	205,755	0	1,344	0	204,411	0	0	0		204,411	0
d. Total for ACA Risk Sharing Provisions	24,276,327	0	5,052,315	0	19,224,012	0	15,488,510	4,420,669		34,712,522	4,420,669

Explanation of Adjustments

- A Adjustment were made to reflect the ending balance as reported in the CMS "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2016 Benefit Year"
- B Adjustment were made to reflect the ending balance as reported in the CMS "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2016 Benefit Year"
- C Adjustment were made to reflect the ending balance as reported in the CMS Summary Report on 52.96% of Transitional Reinsurance Payments for the 2016 Benefit Year
- D Not Applicable
- E Not Applicable
- F Not Applicable
- G Not Applicable
- H Not Applicable
- I Not Applicable
- J Not Applicable

NOTES TO FINANCIAL STATEMENTS

(4) Roll forward of Risk Corridors Asset and Liability Balances by Program Benefit Year.

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec. 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
					5	6	7	8			
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium .....	205,755		1,344		204,411	0	0	0	A	204,411	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			B	0	0
b. 2015											
1. Accrued retrospective premium .....					0	0			C	0	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			D	0	0
c. 2016											
1. Accrued retrospective premium .....					0	0			E	0	0
2. Reserve for rate credits or policy experience rating refunds .....					0	0			F	0	0
d. Total for Risk Corridors	205,755		1,344		204,411	0				204,411	0

Explanation of Adjustments

- A Not Applicable
- B Not Applicable
- C Not Applicable
- D Not Applicable
- E Not Applicable
- F Not Applicable

24(4)d (Columns 1 through 10) should equal 24E(3)c3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1-2-3)	5 Non-admitted	6 Net Admitted Asset (4-5)
a. 2014	241,717	0	37,306	204,411	204,411	0
b. 2015	22,739,205	22,739,205	0	0	0	0
c. 2016	35,998,655	35,998,655				
d. Total (a+b+c)	58,979,577	58,737,860	37,306	204,411	204,411	0

24E(5)d (Columns 4) should equal 24E(3)c1 (Column 9)

24E(5)d (Columns 6) should equal 24E(2)c1

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of June 30, 2017 were \$28,635,678. As of June 30, 2017, \$44,592,988 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$1,074,367 as a result of re-estimation of unpaid claims and claim adjustments expenses principally on the comprehensive line of business. Therefore there has been a \$5,903,003 favorable prior year development since December 31, 2016 to June 30, 2017. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

**NOTES TO FINANCIAL STATEMENTS**

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**26. Intercompany Pooling Arrangements**

There were no significant changes for the six months ended June 30, 2017.

**27. Structured Settlements**

There were no significant changes for the six months ended June 30, 2017.

**28. Health Care Receivables**

There were no significant changes for the six months ended June 30, 2017.

**29. Participating Policies**

There were no significant changes for the six months ended June 30, 2017.

**30. Premium Deficiency Reserves**

The Company did not record premium deficiency reserves at June 30, 2017.

**31. Anticipated Salvage and Subrogation**

There were no significant changes for the six months ended June 30, 2017.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ ] No [ X ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 4.2 If yes, provide the name of 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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

**GENERAL INTERROGATORIES**

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ ] No [ X ]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes [ ] No [ X ]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$
13. Amount of real estate and mortgages held in short-term investments: ..... \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [ ] No [ X ]
- 14.2 If yes, please complete the following:
- |   | 1   | 2  |
|---|---|--|
|   | Prior Year-End<br>Book/Adjusted<br>Carrying Value | Current Quarter<br>Book/Adjusted<br>Carrying Value |
| 14.21 Bonds .....   | \$ .0   | \$ .0  |
| 14.22 Preferred Stock .....   | \$ .0   | \$ .0  |
| 14.23 Common Stock .....  | \$ .0   | \$ .0  |
| 14.24 Short-Term Investments .....  | \$ .0   | \$ .0  |
| 14.25 Mortgage Loans on Real Estate .....   | \$ .0   | \$ .0  |
| 14.26 All Other .....   | \$ .0   | \$ .0  |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... | \$ .0   | \$ .0  |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       | \$ .0   | \$ .0  |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes [ ] No [ X ]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ ] No [ X ]
- If no, attach a description with this statement.

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options  
**GENERAL INTERROGATORIES**

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- |  |           |
|--|-----------|
| 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....                   | \$ .....0 |
| 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... | \$ .....0 |
| 16.3 Total payable for securities lending reported on the liability page .....                                       | \$ .....0 |

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

1 Name of Custodian(s)	2 Custodian Address
Key Private Bank .....	4900 Tiedeman Road, Brooklyn, OH 44144-2302 .....
US Bank .....	1555 N. Rivercenter Dr. Suite 300 Milwaukee, WI 53212 .....

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

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

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

- 17.4 If yes, give full information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
Key Private Bank .....	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? ..... Yes [  ] No [  ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? ..... Yes [  ] No [  ]

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

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed

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

- 18.2 If no, list exceptions:

# GENERAL INTERROGATORIES

## PART 2 - HEALTH

1. Operating Percentages:
- 1.1 A&H loss percent .....78.2 %
  - 1.2 A&H cost containment percent .....2.9 %
  - 1.3 A&H expense percent excluding cost containment expenses .....12.0 %
- 2.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date .....\$ .....
- 2.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date .....\$ .....

**SCHEDULE S - CEDED REINSURANCE**

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
<b>NONE</b>								

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
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	141,185,377						141,185,377	
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	L	4,038,769						4,038,769	
31. New Jersey	NJ	N							0	
32. New Mexico	NM	N							0	
33. New York	NY	N							0	
34. North Carolina	NC	N							0	
35. North Dakota	ND	N							0	
36. Ohio	OH	N							0	
37. Oklahoma	OK	N							0	
38. Oregon	OR	N							0	
39. Pennsylvania	PA	N							0	
40. Rhode Island	RI	N							0	
41. South Carolina	SC	N							0	
42. South Dakota	SD	N							0	
43. Tennessee	TN	N							0	
44. Texas	TX	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
59. Subtotal	XXX		145,224,146	0	0	0	0	0	145,224,146	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX								0	
61. Totals (Direct Business)	(a) 2		145,224,146	0	0	0	0	0	145,224,146	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0	0	0

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

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

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

---

**NONE**

**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
<b>NONE</b>															

Asterisk	Explanation
----------	-------------

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO

Explanation:

1. Not Applicable

Bar Code:

1. Medicare Part D Coverage Supplement [Document Identifier 365]



**OVERFLOW PAGE FOR WRITE-INS**

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**SCHEDULE A - VERIFICATION**

Real Estate

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

**NONE**

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

**NONE**

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	105,000	105,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		0
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	105,000	105,000
12. Deduct total nonadmitted amounts	105,000	105,000
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	45,655,273	41,307,062
2. Cost of bonds and stocks acquired	8,021,650	39,384,381
3. Accrual of discount	1,998	8,270
4. Unrealized valuation increase (decrease)		0
5. Total gain (loss) on disposals	(132,494)	(8,493)
6. Deduct consideration for bonds and stocks disposed of	37,901,986	34,776,454
7. Deduct amortization of premium	60,192	259,493
8. Total foreign exchange change in book/adjusted carrying value		0
9. Deduct current year's other than temporary impairment recognized		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	15,584,249	45,655,273
11. Deduct total nonadmitted amounts		0
12. Statement value at end of current period (Line 10 minus Line 11)	15,584,249	45,655,273

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	31,591,580	6,503,696	22,378,837	(21,866)	31,591,580	15,694,573		45,765,430
2. NAIC 2 (a) .....	0				0	0		
3. NAIC 3 (a) .....	0				0	0		
4. NAIC 4 (a) .....	0				0	0		
5. NAIC 5 (a) .....	0				0	0		
6. NAIC 6 (a) .....	0				0	0		
7. Total Bonds	31,591,580	6,503,696	22,378,837	(21,866)	31,591,580	15,694,573	0	45,765,430
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0				0	0		0
9. NAIC 2 .....	0				0	0		0
10. NAIC 3 .....	0				0	0		0
11. NAIC 4 .....	0				0	0		0
12. NAIC 5 .....	0				0	0		0
13. NAIC 6 .....	0				0	0		0
14. Total Preferred Stock .....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	31,591,580	6,503,696	22,378,837	(21,866)	31,591,580	15,694,573	0	45,765,430

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ .....110,322 ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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**SCHEDULE DA - PART 1**

## Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	11,357,373	xxx	11,357,373		

**SCHEDULE DA - VERIFICATION**

## Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	11,088,409	59,761,266
2. Cost of short-term investments acquired .....	48,373,011	35,994,189
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	48,104,047	84,667,046
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	11,357,373	11,088,409
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	11,357,373	11,088,409

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**NONE**

Schedule DB - Part B - Verification - Futures Contracts

**NONE**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**NONE**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**NONE**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of Derivatives

**NONE**

Schedule E - Verification - Cash Equivalents

**NONE**

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**NONE**

Schedule A - Part 3 - Real Estate Disposed

**NONE**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**NONE**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**NONE**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**NONE**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**NONE**

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Desig- nation or Market Indicator (a)
404280-AY-5	HSBC Holdings PLC		.04/19/2017	Broker		1,520,970	1,500,000	17,700	1FE
713448-CS-5	Pepsico Inc		.04/12/2017	Broker		1,500,090	1,500,000	12,488	1FE
822582-AS-1	Shell International Finance		.04/19/2017	Broker		1,486,290	1,500,000	5,740	1FE
931142-DF-7	Wal-Mart Stores Inc.		.04/07/2017	Broker		998,650	1,000,000	31	1FE
912796-LT-4	United States Treas Bills		.06/14/2017	Broker		997,695	1,000,000	0	1FE
United States						6,503,695	6,500,000	35,958	XXX
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						6,503,695	6,500,000	35,958	XXX
8399997. Total - Bonds - Part 3						6,503,695	6,500,000	35,958	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						6,503,695	6,500,000	35,958	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						0	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	XXX
9999999 - Totals						6,503,695	XXX	35,958	XXX

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

STATEMENT AS OF JUNE 30, 2017 OF THE Maine Community Health Options

**SCHEDULE D - PART 4**

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

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22		
										11	12	13	14	15									
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)		
06406H-CE-7	BANK OF NEW YORK		06/15/2017	Broker		199,728	200,000	200,366	200,143	0	(61)	0	(61)	0	200,082	0	(354)	(354)	2,311	01/25/2018	IFE		
064058-AA-8	BANK OF NEW YORK MELLON SENIOR NT		06/20/2017	Maturity		300,000	300,000	303,390	300,427	0	(427)	0	(427)	0	300,000	0	0	0	2,886	06/20/2017	IFE		
097023-BM-6	Boeing Co		05/01/2017	Broker		991,650	1,000,000	999,190	999,291	0	60	0	60	0	999,351	0	(7,701)	(7,701)	8,296	10/30/2020	IFE		
166764-BA-7	Chevron Corp		06/15/2017	Broker		200,862	200,000	202,954	202,209	0	(532)	0	(532)	0	201,677	0	(815)	(815)	2,078	11/16/2018	IFE		
166764-AE-0	CHEVRON CORP		06/15/2017	Broker		500,990	500,000	506,400	502,368	0	(724)	0	(724)	0	501,645	0	(655)	(655)	4,080	06/24/2018	IFE		
22160K-AF-2	Costco Wholesale Corp		06/15/2017	Broker		199,532	200,000	199,222	199,506	0	75	0	75	0	199,580	0	(48)	(48)	1,700	12/15/2019	IFE		
532457-BF-4	ELI LILLY & CO		05/01/2017	Broker		1,004,940	1,000,000	1,016,500	1,009,402	0	(1,401)	0	(1,401)	0	1,008,001	0	(3,061)	(3,061)	12,242	03/15/2019	IFE		
36962G-6K-5	GENERAL ELECT CAP CORP 1.6% OF 11/20/2017		06/15/2017	Broker		700,623	700,000	710,479	704,539	0	(2,329)	0	(2,329)	0	702,210	0	(1,587)	(1,587)	6,378	11/20/2017	IFE		
437076-BL-5	Home Depot Inc		05/30/2017	Broker		1,498,605	1,500,000	1,516,815	1,514,768	0	(1,390)	0	(1,390)	0	1,513,377	0	(14,772)	(14,772)	19,917	04/01/2021	IFE		
404280-AY-5	HSBC Holdings PLC		06/14/2017	Broker		1,518,540	1,500,000	1,520,970	0	0	(746)	0	(746)	0	1,520,224	0	(1,684)	(1,684)	24,460	05/25/2021	IFE		
24422E-SQ-3	JOHN DEERE CAPITAL CORP		06/15/2017	Broker		700,497	700,000	698,954	699,549	0	174	0	174	0	699,723	0	775	775	3,644	12/15/2017	IFE		
478160-BM-5	JOHNSON & JOHNSON		06/15/2017	Broker		201,104	200,000	203,330	202,129	0	(325)	0	(325)	0	201,802	0	(698)	(698)	1,979	12/05/2019	IFE		
48127H-AA-7	JPMORGAN CHASE & CO		06/15/2017	Broker		200,642	200,000	201,284	200,815	0	(129)	0	(129)	0	200,686	0	(44)	(44)	2,848	10/22/2019	IFE		
58933Y-AS-4	Merck & Co Inc		06/15/2017	Broker		702,709	700,000	713,055	710,826	0	(1,559)	0	(1,559)	0	709,267	0	(6,558)	(6,558)	10,972	02/10/2020	IFE		
688235-AA-3	Ontario Prov CDA		06/14/2017	Broker		905,220	900,000	915,822	911,970	0	(3,093)	0	(3,093)	0	908,877	0	(3,657)	(3,657)	12,850	09/27/2018	IFE		
66399Y-AN-5	ORACLE CORP		06/15/2017	Broker		199,860	200,000	200,120	200,028	0	(16)	0	(16)	0	200,012	0	(152)	(152)	1,900	10/15/2017	IFE		
713448-CS-5	Pepsico Inc		06/15/2017	Broker		700,189	700,000	700,042	0	0	(2)	0	(2)	0	700,040	0	149	149	8,094	04/30/2020	IFE		
717081-DJ-9	PFIZER INC		05/15/2017	Maturity		1,000,000	1,000,000	1,005,630	1,000,715	0	(715)	0	(715)	0	1,000,000	0	0	0	5,500	05/15/2017	IFE		
822582-AS-1	Shell International Finance		06/14/2017	Broker		1,500,480	1,500,000	1,486,290	0	0	369	0	369	0	1,486,659	0	13,821	13,821	11,182	08/21/2022	IFE		
89236T-AY-1	Toyota Motor Credit Corp		06/15/2017	Broker		703,745	700,000	714,665	710,680	0	(2,662)	0	(2,662)	0	708,018	0	(4,273)	(4,273)	8,983	10/24/2018	IFE		
90261X-HH-8	UBS AG		05/01/2017	Broker		1,001,200	1,000,000	1,002,250	1,001,459	0	(390)	0	(390)	0	1,001,068	0	132	132	10,750	03/26/2018	IFE		
907818-DH-5	UNION PACIFIC CORP 2.25% OF 02/15/2019		06/15/2017	Broker		706,993	700,000	711,508	707,492	0	(1,586)	0	(1,586)	0	705,906	0	1,087	1,087	13,125	02/15/2019	IFE		
91324P-BY-7	UNITEDHEALTH GROUP INC 1.4% OF 10/15/2017		05/30/2017	Broker		1,499,925	1,500,000	1,509,450	1,503,699	0	(1,937)	0	(1,937)	0	1,501,762	0	(1,837)	(1,837)	13,125	10/15/2017	IFE		
91159H-HD-5	US Bancorp		04/17/2017	Broker		1,500,000	1,500,000	1,509,444	1,503,573	0	(2,827)	0	(2,827)	0	1,500,747	0	(747)	(747)	10,313	05/15/2017	IFE		
92826C-AA-0	Visa Inc		06/15/2017	Broker		699,685	700,000	702,072	701,303	0	(621)	0	(621)	0	700,681	0	(996)	(996)	4,223	12/14/2017	IFE		
931142-CG-6	WALMART STORES INC NOTE		04/05/2017	Maturity		500,000	500,000	568,035	505,055	0	(5,055)	0	(5,055)	0	500,000	0	0	0	13,438	04/05/2017	IFE		
931142-DF-7	Wal-Mart Stores Inc		05/30/2017	Broker		998,500	1,000,000	998,650	0	0	180	0	180	0	998,830	0	(330)	(330)	1,531	04/11/2018	IFE		
94974B-GM-6	Wells Fargo & Co		06/15/2017	Broker		202,486	200,000	204,888	204,153	0	(516)	0	(516)	0	203,638	0	(1,152)	(1,152)	4,666	07/22/2020	IFE		
949746-NX-5	WELLS FARGO CO SENIOR NT		06/15/2017	Broker		305,892	300,000	344,502	310,261	0	(4,925)	0	(4,925)	0	305,336	0	556	556	8,625	12/11/2017	IFE		
961214-CY-7	Westpac Banking Corp		06/14/2017	Broker		991,390	1,000,000	999,680	999,713	0	48	0	48	0	999,762	0	(8,372)	(8,372)	13,111	08/19/2019	IFE		
United States						22,335,988	22,300,000	22,565,957	17,706,071	0	(33,063)	0	(33,063)	0	22,378,960	0	(42,973)	(42,973)	244,906	XXX	XXX		
8399999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						22,335,988	22,300,000	22,565,957	17,706,071	0	(33,063)	0	(33,063)	0	22,378,960	0	(42,973)	(42,973)	244,906	XXX	XXX		
8399997. Total - Bonds - Part 4						22,335,988	22,300,000	22,565,957	17,706,071	0	(33,063)	0	(33,063)	0	22,378,960	0	(42,973)	(42,973)	244,906	XXX	XXX		
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8399999. Total - Bonds						22,335,988	22,300,000	22,565,957	17,706,071	0	(33,063)	0	(33,063)	0	22,378,960	0	(42,973)	(42,973)	244,906	XXX	XXX		
8999997. Total - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997. Total - Common Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999 - Totals						22,335,988	XXX	22,565,957	17,706,071	0	(33,063)	0	(33,063)	0	22,378,960	0	(42,973)	(42,973)	244,906	XXX	XXX		

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

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

**NONE**

Schedule DB - Part B - Section 1 - Futures Contracts Open

**NONE**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

**NONE**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

**NONE**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

**NONE**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**NONE**



Schedule E - Part 2 - Cash Equivalents - Investments Owned End of Current Quarter

**NONE**