



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022  
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, Suite 3 Lewiston, ME, US 04240  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 150 Mill Street, Suite 3  
(Street and Number)  
Lewiston, ME, US 04240 (Area Code) (Telephone Number)  
(City or Town, State, Country and Zip Code)

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, Suite 3  
(Street and Number)  
Lewiston, ME, US 04240 (Area Code) (Telephone Number)  
(City or Town, State, Country and Zip Code)

Internet Website Address www.healthoptions.org

Statutory Statement Contact Joanne Lauterbach 207-330-2390  
(Name) (Area Code) (Telephone Number)  
jlauterbach@healthoptions.org 207-402-3318  
(E-mail Address) (FAX Number)

### OFFICERS

Chief Executive Officer Kevin Lewis Chief Information Officer William Ki Jbreth  
Chief Operating Officer David Stuart # Chief Financial Officer Joanne Lauterbach

### OTHER

### DIRECTORS OR TRUSTEES

<u>Rebecca Conrad</u>	<u>Asher Kramer</u>	<u>Robert Lorenzo</u>
<u>Rocell Marcellino</u>	<u>Jeff Norris</u>	<u>Ronnie Weston</u>
<u>Michelle Betz</u>	<u>Sharon Renshus</u>	<u>Mitchell Stein</u>
<u>Holly Korda</u>	<u>Judann Feretti Smith</u>	<u>Paul Andrews #</u>
<u>Leslie Clark #</u>	<u>Jerod Cronkite #</u>	<u>Cory McKenna #</u>

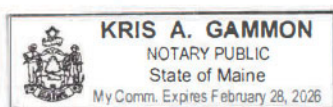
State of Maine SS  
County of Androscoggin

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 Joanne Lauterbach  
Chief Executive Officer Chief Financial Officer

Subscribed and sworn to before me this 3rd day of April 2023  
Kris A Gammon

a. Is this an original filing? Yes [ ] No [X]  
b. If no,  
1. State the amendment number..... 1  
2. Date filed..... 04/03/2023  
3. Number of pages attached..... 4



**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) .....	123,429,471		123,429,471	140,171,020
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 \$ .....			0	0
encumbrances) .....				
4.2 Properties held for the production of income (less			0	0
\$ .....				
encumbrances) .....				
4.3 Properties held for sale (less \$ .....			0	0
encumbrances) .....				
5. Cash (\$ ..... 4,294,131 , Schedule E - Part 1), cash equivalents				
(\$ ..... 11,632,632 , Schedule E - Part 2) and short-term				
investments (\$ ..... , Schedule DA) .....	15,926,763		15,926,763	27,008,213
6. Contract loans, (including \$ ..... premium notes) .....			0	0
7. Derivatives (Schedule DB) .....			0	0
8. Other invested assets (Schedule BA) .....	221,500	221,500	0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	139,577,734	221,500	139,356,234	167,179,233
13. Title plants less \$ ..... charged off (for Title insurers			0	0
only) .....				
14. Investment income due and accrued .....	847,562		847,562	931,554
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	2,485,611	740,732	1,744,879	1,728,676
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 (\$ ..... 9,064,000 ) and				
contracts subject to redetermination (\$ ..... ) .....	9,064,000		9,064,000	4,700,000
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	10,379,146		10,379,146	6,382,572
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 .....	145,732	145,732	0	0
21. Furniture and equipment, including health care delivery assets				
(\$ ..... ) .....	51,461	51,461	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 (\$ ..... 4,590,180 ) and other amounts receivable .....	5,582,072	991,892	4,590,180	3,094,758
25. Aggregate write-ins for other than invested assets .....	1,680,768	1,680,768	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25) .....	169,814,086	3,832,085	165,982,001	184,016,793
27. From Separate Accounts, Segregated Accounts and Protected Cell			0	0
Accounts .....				
28. Total (Lines 26 and 27) .....	169,814,086	3,832,085	165,982,001	184,016,793
<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 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. Prepaid Expenses .....	1,653,634	1,653,634	0	0
2502. Miscellaneous Receivables .....	14,331	14,331	0	0
2503. Security Deposits .....	12,803	12,803	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	1,680,768	1,680,768	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ ..... 3,725,000 reinsurance ceded) .....	15,232,078		15,232,078	10,637,731
2. Accrued medical incentive pool and bonus amounts .....	325,989		325,989	589,207
3. Unpaid claims adjustment expenses .....	1,326,995		1,326,995	941,695
4. Aggregate health policy reserves, including the liability of \$ ..... 1,434,756 for medical loss ratio rebate per the Public Health Service Act .....	21,841,996		21,841,996	42,169,580
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 .....	3,955,651		3,955,651	4,786,931
9. General expenses due or accrued .....	4,137,690		4,137,690	3,446,534
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 .....	173,411		173,411	797,962
12. Amounts withheld or retained for the account of others .....	5,200		5,200	2,107
13. Remittances and items not allocated .....			0	0
14. Borrowed money (including \$ ..... 49,208 current) and interest thereon \$ ..... (including \$ ..... current) .....	49,208		49,208	191,076
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, \$ ..... 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 \$ ..... current) .....	150,767	0	150,767	64,053
24. Total liabilities (Lines 1 to 23) .....	47,198,985	0	47,198,985	63,626,876
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	(13,533,108)	(11,926,207)
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	118,783,016	120,389,917
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	165,982,001	184,016,793
<b>DETAILS OF WRITE-INS</b>				
2301. Risk Adjustment User Fee Payable .....	79,294		79,294	64,053
2302. Deferred Credit .....	71,473		71,473	
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) .....	150,767	0	150,767	64,053
2501. ....	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 thru 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 thru 3003 plus 3098)(Line 30 above) .....	XXX	XXX	0	0



**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	349,740	284,476
2. Net premium income ( including \$ ..... non-health premium income) .....	XXX	205,096,474	164,039,529
3. Change in unearned premium reserves and reserve for rate credits .....	XXX		0
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX		
5. Risk revenue .....	XXX		
6. Aggregate write-ins for other health care related revenues .....	XXX	434	215,061
7. Aggregate write-ins for other non-health revenues .....	XXX	0	0
8. Total revenues (Lines 2 to 7) .....	XXX	205,096,908	164,254,590
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		126,414,248	99,125,157
10. Other professional services .....		6,315,317	5,152,111
11. Outside referrals .....		11,743	13,180
12. Emergency room and out-of-area .....		42,982,635	35,115,697
13. Prescription drugs .....		36,848,459	26,421,893
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		268,553	155,000
16. Subtotal (Lines 9 to 15) .....	0	212,840,955	165,983,038
<b>Less:</b>			
17. Net reinsurance recoveries .....		32,560,762	26,634,678
18. Total hospital and medical (Lines 16 minus 17) .....	0	180,280,193	139,348,360
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$ ..... 8,310,945 cost containment expenses .....		13,432,586	11,319,822
21. General administrative expenses .....		29,499,016	25,029,634
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		(13,900,000)	11,622,760
23. Total underwriting deductions (Lines 18 through 22).....	0	209,311,795	187,320,576
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(4,214,887)	(23,065,986)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		1,953,795	1,436,029
26. Net realized capital gains (losses) less capital gains tax of \$ .....		(242,749)	4,859
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	1,711,046	1,440,888
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... 186,597 )] .....		(186,597)	(385,846)
29. Aggregate write-ins for other income or expenses .....	0	1,391,524	2,000,000
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	(1,298,914)	(20,010,944)
31. Federal and foreign income taxes incurred .....	XXX		
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(1,298,914)	(20,010,944)
<b>DETAILS OF WRITE-INS</b>			
0601. User Fee Revenue - Contraceptive Claims .....	XXX	434	215,061
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	434	215,061
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. ....			
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	0
2901. Vendor Settlement .....		1,391,524	2,000,000
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	1,391,524	2,000,000



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

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	120,389,917	140,140,003
34. Net income or (loss) from Line 32 .....	(1,298,914)	(20,010,944)
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 .....	(307,987)	260,858
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) .....	(1,606,901)	(19,750,086)
49. Capital and surplus end of reporting period (Line 33 plus 48)	118,783,016	120,389,917
<b>DETAILS OF WRITE-INS</b>		
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

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	192,912,241	154,608,814
2. Net investment income .....	3,672,420	1,743,749
3. Miscellaneous income .....	434	215,061
4. Total (Lines 1 through 3) .....	196,585,095	156,567,624
5. Benefit and loss related payments .....	176,320,608	163,184,446
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	40,912,532	36,949,804
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	0
10. Total (Lines 5 through 9) .....	217,233,140	200,134,250
11. Net cash from operations (Line 4 minus Line 10) .....	(20,648,045)	(43,566,626)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	17,141,080	21,929,660
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 .....	0	0
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	17,141,080	21,929,660
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	2,014,600	94,174,446
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	15,000
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	2,014,600	94,189,446
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) .....	15,126,480	(72,259,786)
<b>Cash from Financing and Miscellaneous Sources</b>		
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 .....	(141,868)	(133,626)
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) .....	(5,418,018)	3,226,130
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(5,559,886)	3,092,504
<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) .....	(11,081,451)	(112,733,908)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	27,008,213	139,742,121
19.2 End of year (Line 18 plus Line 19.1) .....	15,926,763	27,008,213

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

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**ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options**  
**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 XX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	205,086,474	205,086,474								
2. Change in unearned premium reserves and reserve for rate credit .....	0									
3. Fee-for-service (net of \$ medical expenses) .....	0									
4. Risk revenue .....	0									XXX XXX
5. Aggregate write-ins for other health care related revenues .....	434	0	0	0	0	0	0	0	434	XXX
6. Aggregate write-ins for other non-health care related revenues .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	434	0
7. Total revenues (Lines 1 to 6) .....	205,086,908	205,086,474	0	0	0	0	0	0	0	0
8. Hospital/medical benefits .....	126,414,348	126,414,348								XXX XXX
9. Other professional services .....	6,315,317	6,315,317								XXX XXX
10. Outside referrals .....	11,743	11,743								XXX XXX
11. Emergency room and out-of-area .....	42,982,635	42,982,635								XXX XXX
12. Prescription drugs .....	36,848,459	36,848,459								XXX XXX
13. Aggregate write-ins for other hospital and medical .....	0	0	0	0	0	0	0	0	0	XXX XXX
14. Incentive pool, withhold adjustments and bonus amounts .....	288,553	288,553								XXX XXX
15. Subtotal (Lines 8 to 14) .....	212,840,955	212,840,955								XXX XXX
16. Net reinsurance recoveries .....	32,560,782	32,560,782								XXX XXX
17. Total medical and hospital (Lines 15 minus 16) .....	180,280,173	180,280,173								XXX XXX
18. Non-health claims (net) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
19. Claims adjustment expenses including \$ ..... 8,310,344 cost containment expenses .....	13,432,586	13,432,586								
20. General administrative expenses .....	29,499,016	29,499,016								
21. Increase in reserves for accident and health contracts .....	(13,900,000)	(13,900,000)								
22. Increase in reserves for life contracts .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
23. Total underwriting deductions (Lines 17 to 22) .....	208,311,785	208,311,785	0	0	0	0	0	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23) .....	(4,214,877)	(4,214,877)	0	0	0	0	0	0	434	0
<b>DETAILS OF WRITE-INS</b>										
User Fee Revenue - Contractive Claims .....	434								434	XXX
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) .....	434	0	0	0	0	0	0	0	434	XXX
0601. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0602. ....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0603. ....		XXX	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	XXX
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) .....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
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



ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options

**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 .....	136,243,914		650,000	135,593,914
2. Comprehensive (hospital and medical) group .....	69,932,686		430,126	69,502,560
3. Medicare Supplement .....				0
4. Dental only .....				0
5. Vision only .....				0
6. Federal Employees Health Benefits Plan .....				0
7. Title XVIII - Medicare .....				0
8. Title XIX - Medicaid .....				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) .....	206,176,600	0	1,080,126	205,096,474
14. Life .....				0
15. Property/casualty .....				0
16. Totals (Lines 13 to 15) .....	206,176,600	0	1,080,126	205,096,474

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options  
**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14
		2	3											
	Total	Individual	Group	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit ASH	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Payments during the year:														
1.1 Direct	208,693,572	139,500,039	69,193,533											
1.2 Reinsurance assumed	0	0	0											
1.3 Reinsurance ceded	27,654,246	27,588,251	55,995											
1.4 Net	181,039,326	111,911,788	69,137,538	0	0	0	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	531,771	351,948	179,823											
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	18,957,078	15,986,010	2,971,068	0	0	0	0	0	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	3,725,000	3,336,000	389,000	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	15,232,078	12,650,010	2,562,068	0	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	0	0	0											
4.2 Reinsurance assumed	0	0	0											
4.3 Reinsurance ceded	0	0	0											
4.4 Net	0	0	0											
5. Accrued medical incentive pools and bonuses, current year	325,989	220,542	105,447											
6. Net health care receivables (a)	1,625,469	1,039,773	585,686											
7. Amounts recoverable from reinsurers December 31, current year	10,379,146	9,980,783	388,363											
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	13,452,789	11,161,000	2,291,789	0	0	0	0	0	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	2,815,068	2,753,058	62,000	0	0	0	0	0	0	0	0	0	0	0
8.4 Net	10,637,731	8,407,942	2,229,789	0	0	0	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	0	0	0											
9.2 Reinsurance assumed	0	0	0											
9.3 Reinsurance ceded	0	0	0											
9.4 Net	0	0	0											
10. Accrued medical incentive pools and bonuses, prior year	589,207	389,982	199,245											
11. Amounts recoverable from reinsurers December 31, prior year	6,382,572	6,325,572	57,000											
12. Incurred Benefits:														
12.1 Direct	212,572,402	143,285,276	69,287,126	0	0	0	0	0	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	32,560,742	31,636,404	724,338	0	0	0	0	0	0	0	0	0	0	0
12.4 Net	180,011,660	111,448,872	68,562,768	0	0	0	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	268,533	182,528	86,025	0	0	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options  
**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR														
1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14	
	2	3												
	Individual	Group	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non-Health	
1. Reported in Process of Adjustment:	Total													
1.1 Direct	5,461,383	4,381,742	1,079,621											
1.2 Reinsurance assumed	0													
1.3 Reinsurance ceded	2,225,000	2,070,000	155,000											
1.4 Net	3,236,383	2,311,742	924,621	0	0	0	0	0	0	0	0	0	0	
2. Incurred but Unreported:														
2.1 Direct	13,495,715	11,604,268	1,891,447											
2.2 Reinsurance assumed	0													
2.3 Reinsurance ceded	1,500,000	1,266,000	234,000											
2.4 Net	11,995,715	10,338,268	1,657,447	0	0	0	0	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	
4. TOTALS:														
4.1 Direct	18,957,078	15,986,010	2,971,068	0	0	0	0	0	0	0	0	0	0	
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	
4.3 Reinsurance ceded	3,725,000	3,336,000	389,000	0	0	0	0	0	0	0	0	0	0	
4.4 Net	15,232,078	12,650,010	2,582,068	0	0	0	0	0	0	0	0	0	0	



ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options

**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		Claims Incurred In Prior Years (Columns 1 + 3)	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 December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual .....	5,574,556	104,810,306	5,609	12,644,401	5,580,165	8,407,942
2. Comprehensive (hospital and medical) group .....	4,922,862	65,098,884	3,090	2,578,978	4,925,952	2,229,789
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 .....					0	0
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) .....	10,497,418	169,909,200	8,698	15,223,379	10,506,117	10,637,731
14. Health care receivables (a) .....		4,980,325			0	0
15. Other non-health .....					0	0
16. Medical incentive pools and bonus amounts .....	531,771		57,436	268,553	589,207	589,207
17. Totals (Lines 13 - 14 + 15 + 16) .....	11,029,189	164,919,875	66,133	15,491,932	11,095,324	11,226,938

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

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE MAINE COMMUNITY HEALTH OPTIONS

**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	2	3	4	5	1	2	3	4	5
1. Prior										
2. 2018	25,579	25,480	25,471	25,420	25,405					
3. 2019	241,410	273,626	273,870	276,153	276,150					
4. 2020	XXX	148,191	171,360	171,360	171,370					
5. 2021	XXX	XXX	121,984	132,768	132,447					
6. 2022	XXX	XXX	XXX	XXX	141,688					
	XXX	XXX	XXX	XXX	164,920					

**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	2	3	4	5	1	2	3	4	5
1. Prior										
2. 2018	26,248	25,480	25,471	25,420	25,405					
3. 2019	286,240	274,089	273,870	276,153	276,150					
4. 2020	XXX	170,954	168,214	171,360	171,370					
5. 2021	XXX	XXX	140,352	132,776	132,447					
6. 2022	XXX	XXX	XXX	141,548	141,755					
	XXX	XXX	XXX	XXX	180,412					

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

	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payment	Claim Adjustment Expense Payments (Col. 2 + 3)	Percent (Col. 3/2)	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	Percent (Col. 5/1)	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2018	379,263	276,150	8,176	3.0	284,326	75.0	0	0	284,326	75.0
2. 2019	242,246	171,370	17,347	10.1	188,717	77.9	0	0	188,717	77.9
3. 2020	184,865	132,447	14,170	10.7	146,617	79.3	0	0	146,617	79.3
4. 2021	164,040	141,688	11,315	8.0	153,003	93.3	66	1	153,070	93.3
5. 2022	205,086	164,920	12,105	7.3	177,025	86.3	15,492	1,328	193,843	94.5

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE MAINE COMMUNITY HEALTH OPTIONS

**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	2	3	4	5	1	2	3	4	5
1. Prior	25,579	25,480	25,471	25,420	25,405	25,579	25,480	25,471	25,420	25,405
2. 2018	241,410	273,626	273,870	276,153	276,150	241,410	273,626	273,870	276,153	276,150
3. 2019	XXX	148,191	167,124	171,360	171,370	XXX	148,191	167,124	171,360	171,370
4. 2020	XXX	XXX	121,984	132,768	132,447	XXX	XXX	121,984	132,768	132,447
5. 2021	XXX	XXX	XXX	130,389	141,688	XXX	XXX	XXX	130,389	141,688
6. 2022	XXX	XXX	XXX	XXX	184,920	XXX	XXX	XXX	XXX	184,920

**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	2	3	4	5	1	2	3	4	5
1. Prior	26,248	25,480	25,471	25,420	25,405	26,248	25,480	25,471	25,420	25,405
2. 2018	286,240	274,089	273,870	276,153	276,150	286,240	274,089	273,870	276,153	276,150
3. 2019	XXX	170,954	188,214	171,360	171,370	XXX	170,954	188,214	171,360	171,370
4. 2020	XXX	XXX	140,352	132,768	132,447	XXX	XXX	140,352	132,768	132,447
5. 2021	XXX	XXX	XXX	141,548	141,755	XXX	XXX	XXX	141,548	141,755
6. 2022	XXX	XXX	XXX	XXX	180,412	XXX	XXX	XXX	XXX	180,412

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

	Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2018		379,263	276,150	8,176	3.0	284,326	75.0	0	0	284,326	75.0
2. 2019		242,246	171,370	17,347	10.1	188,717	77.9	0	0	188,717	77.9
3. 2020		184,865	132,447	14,170	10.7	146,617	79.3	0	0	146,617	79.3
4. 2021		164,040	141,688	11,315	8.0	153,003	93.3	66	1	153,070	93.3
5. 2022		205,096	164,920	12,105	7.3	177,025	86.3	15,492	1,328	193,843	94.5



ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options

**UNDERWRITING AND INVESTMENT EXHIBIT**  
PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	2 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
		Individual	Group										
1. Unearned premium reserves .....	0												
2. Additional policy reserves (a) .....	15,800,000	5,741,400	10,058,600										
3. Reserve for future contingent benefits .....	0												
4. Reserve for rate credits or experience rating refunds (including \$ ..... for investment income) .....	1,434,756	1,434,756											
5. Aggregate write-ins for other policy reserves .....	4,607,240	4,334,980	272,260	0	0	0	0	0	0	0	0	0	0
6. Totals (gross) .....	21,841,996	11,511,136	10,330,860	0	0	0	0	0	0	0	0	0	0
7. Reinsurance ceded .....	0												
8. Totals (Net)(Page 3, Line 4) .....	21,841,996	11,511,136	10,330,860	0	0	0	0	0	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 Payable .....	3,885,000	3,885,000											
0502. High-Cost Risk Pool Payable .....	722,240	449,980	272,260										
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) .....	4,607,240	4,334,980	272,260	0	0	0	0	0	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 \$ ..... 15,800,000 premium deficiency reserve.

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ ..... for occupancy of own building) .....			226,667		226,667
2. Salary, wages and other benefits .....	4,837,166	1,524,950	10,986,553		17,348,669
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....			3,616,990		3,616,990
4. Legal fees and expenses .....			98,012		98,012
5. Certifications and accreditation fees .....	204,150				204,150
6. Auditing, actuarial and other consulting services .....	109,995		1,367,541		1,477,536
7. Traveling expenses .....			46,703		46,703
8. Marketing and advertising .....			735,947		735,947
9. Postage, express and telephone .....			440,605		440,605
10. Printing and office supplies .....	42,936		202,770		245,706
11. Occupancy, depreciation and amortization .....			254,060		254,060
12. Equipment .....			25,143		25,143
13. Cost or depreciation of EDP equipment and software .....			82,814		82,814
14. Outsourced services including EDP, claims, and other services .....	3,116,698	3,596,691	3,570,910	262,313	10,546,612
15. Boards, bureaus and association fees .....			157,446		157,446
16. Insurance, except on real estate .....			480,377		480,377
17. Collection and bank service charges .....			547,011		547,011
18. Group service and administration fees .....					0
19. Reimbursements by uninsured plans .....					0
20. Reimbursements from fiscal intermediaries .....					0
21. Real estate expenses .....			136,385		136,385
22. Real estate taxes .....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....			200		200
23.2 State premium taxes .....			200		200
23.3 Regulatory authority licenses and fees .....			4,916,569		4,916,569
23.4 Payroll taxes .....			1,067,505		1,067,505
23.5 Other (excluding federal income and real estate taxes) .....			503,594		503,594
24. Investment expenses not included elsewhere .....					0
25. Aggregate write-ins for expenses .....	0	0	35,014	0	35,014
26. Total expenses incurred (Lines 1 to 25) .....	8,310,945	5,121,641	29,499,016	262,313 (a)	43,193,915
27. Less expenses unpaid December 31, current year .....		1,326,995	4,137,690		5,464,685
28. Add expenses unpaid December 31, prior year .....		941,695	3,446,534		4,388,229
29. Amounts receivable relating to uninsured plans, prior year .....					0
30. Amounts receivable relating to uninsured plans, current year .....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	8,310,945	4,736,341	28,807,860	262,313	42,117,459
<b>DETAILS OF WRITE-INS</b>					
2501. Fines and Penalties Expense .....			35,014		35,014
2502. ....					
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) .....	0	0	35,014	0	35,014

(a) Includes management fees of \$ ..... 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) ..... 31,000	..... 31,000
1.1 Bonds exempt from U.S. tax .....	(a) .....	.....
1.2 Other bonds (unaffiliated) .....	(a) ..... 2,139,600	..... 1,995,504
1.3 Bonds of affiliates .....	(a) ..... 0	..... 0
2.1 Preferred stocks (unaffiliated) .....	(b) ..... 0	..... 0
2.11 Preferred stocks of affiliates .....	(b) ..... 0	..... 0
2.2 Common stocks (unaffiliated) .....	..... 0	..... 0
2.21 Common stocks of affiliates .....	..... 0	..... 0
3. Mortgage loans .....	(c) ..... 0	..... 0
4. Real estate .....	(d) ..... 0	..... 0
5. Contract Loans .....	..... 0	..... 0
6. Cash, cash equivalents and short-term investments .....	(e) ..... 147,988	..... 197,368
7. Derivative instruments .....	(f) ..... 0	..... 0
8. Other invested assets .....	..... 0	..... 0
9. Aggregate write-ins for investment income .....	..... 0	..... 0
10. Total gross investment income .....	2,318,588	2,223,872
11. Investment expenses .....		(g) ..... 262,313
12. Investment taxes, licenses and fees, excluding federal income taxes .....		(g) ..... 0
13. Interest expense .....		(h) ..... 7,764
14. Depreciation on real estate and other invested assets .....		(i) ..... 0
15. Aggregate write-ins for deductions from investment income .....		..... 0
16. Total deductions (Lines 11 through 15) .....		270,077
17. Net investment income (Line 10 minus Line 16) .....		1,953,795
<b>DETAILS OF WRITE-INS</b>		
0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page .....		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....		
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page .....		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....		

- (a) Includes \$ .....87,227 accrual of discount less \$ .....1,459,547 amortization of premium and less \$ .....20,500 paid for accrued interest on purchases.
- (b) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 0 paid for accrued dividends on purchases.
- (c) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 0 paid for accrued interest on purchases.
- (d) Includes \$ ..... 0 for company's occupancy of its own buildings; and excludes \$ ..... 0 interest on encumbrances.
- (e) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium and less \$ ..... 0 paid for accrued interest on purchases.
- (f) Includes \$ ..... 0 accrual of discount less \$ ..... 0 amortization of premium.
- (g) Includes \$ ..... 0 investment expenses and \$ ..... 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ ..... 0 interest on surplus notes and \$ ..... 0 interest on capital notes.
- (i) Includes \$ ..... 0 depreciation on real estate and \$ ..... 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	0	0	0	0	0
1.1 Bonds exempt from U.S. tax .....					
1.2 Other bonds (unaffiliated) .....	(242,749)	0	(242,749)	0	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 .....	0	0	0	0	0
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	0	0
4. Real estate .....	0	0	0	0	0
5. Contract loans .....	0	0	0	0	0
6. Cash, cash equivalents and short-term investments .....	0	0	0	0	0
7. Derivative instruments .....	0	0	0	0	0
8. Other invested assets .....	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses) .....	0	0	0	0	0
10. Total capital gains (losses) .....	(242,749)	0	(242,749)	0	0
<b>DETAILS OF WRITE-INS</b>					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page .....					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....					



**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) .....			0
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) .....	221,500	221,500	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) .....	221,500	221,500	0
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 .....	740,732	820,117	79,385
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 .....			0
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 .....	145,732	105,769	(39,963)
21. Furniture and equipment, including health care delivery assets .....	51,461	299,809	248,348
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 .....	991,892	530,272	(461,620)
25. Aggregate write-ins for other than invested assets .....	1,680,768	1,546,631	(134,137)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	3,832,085	3,524,098	(307,987)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0
28. Total (Lines 26 and 27) .....	3,832,085	3,524,098	(307,987)
<b>DETAILS OF WRITE-INS</b>			
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. Prepaid Expense .....	1,653,634	1,484,096	(169,538)
2502. Miscellaneous Receivables .....	14,331	49,732	35,401
2503. Security Deposits .....	12,803	12,803	0
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) .....	1,680,768	1,546,631	(134,137)

ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options

**EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY**

Source of Enrollment	Total Members at End of					
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	6 Current Year Member Months
1. Health Maintenance Organizations .....	4,383	7,356	7,191	7,298	7,178	86,656
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....	18,601	21,833	21,789	22,127	22,122	263,084
4. Point of Service .....						
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
7. Total	22,984	29,189	28,980	29,425	29,300	349,740
<b>DETAILS OF WRITE-INS</b>						
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 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 #	2022	2021
<b>NET INCOME</b>						
(1)	Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (1,298,914)	\$(20,010,944)
(2)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP				—	—
(3)	State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
(4)	NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ (1,298,914)	\$(20,010,944)
<b>SURPLUS</b>						
(5)	Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$118,783,016	\$120,389,917
(6)	State Prescribed Practices that are increase/(decrease) from NAIC SAP				—	—
(7)	State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
(8)	NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$118,783,016	\$120,389,917

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

The preparation of financial statements in conformity with NAIC Annual Statement Instructions and NAIC SAP 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 Policy

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of reinsurance ceded and experience rating refunds. 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. 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 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.
- (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) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities.
- (7) The Company owns 100% of Community Options LLC.
- (8) The Company has an investment in an unaffiliated limited liability company. The Company reports this investment as an other long-term invested asset on Schedule BA. The asset, which is carried at its Generally Accepted Accounting Principles equity, is nonadmitted for statutory reporting purposes.
- (9) The Company has no derivative instruments.

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**NOTES TO FINANCIAL STATEMENTS**


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- (10) The Company uses anticipated investment income as a factor in the premium deficiency reserve calculation.
- (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 claims 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) The Company has not modified its capitalization policy from the prior period.
- (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

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

Not applicable.

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

As of December 31, 2022, The Company changed the reporting of the receivable and payable for the high-cost risk pool (HCRP) under the Affordable Care Act's (ACA) risk adjustment program. The HCRP receivable is now reported on page 2, line 15.3, and the HCRP payable is now reported on page 3, line 4. There were no other accounting changes during the years ended December 31, 2022 and 2021.

**B. Corrections of Errors**

There were no 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.

**4. Discontinued Operations**

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



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**NOTES TO FINANCIAL STATEMENTS**


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**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.

**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 mortgage-backed securities were obtained from broker-dealer survey values. The Company used various third-party pricing party sources in determining the market value of its loan-backed securities.
- (2) The Company did not recognize other-than-temporary impairments on its loan-backed securities during the years ended December 31, 2022 and 2021.
- (3) The Company did not recognize other-than-temporary impairments on its loan-backed securities during the years ended December 31, 2022 and 2021.
- (4) The Company did not recognize other-than-temporary impairments on its loan-backed securities at December 31, 2022 and 2021.
- (5) The Company had no impaired loan-backed securities for which an other-than-temporary impairment had not been recognized in earnings at December 31, 2022 and 2021.
- (6) The Company had no impaired loan-backed securities at December 31, 2022 and 2021.

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

The Company entered into a repurchase investment sweep arrangement whereby the banking institution automatically sweeps excess available account funds into overnight repurchase agreements based on predefined increments. On the next banking day, the funds are returned to the Company's bank accounts. These funds are secured by an obligation of the United States of America. This arrangement was terminated during 2022. The Company did not enter securities lending transactions during 2022 or 2021.

**F. Repurchase Agreements Transactions Accounted for as Secured Borrowing**

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

**G. Reverse Repurchase Agreements Transaction 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 agreements transactions accounted for as a sale at December 31, 2022 or 2021.

**I. Reverse Repurchase Agreements Transactions Accounted for a Sale**

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

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**NOTES TO FINANCIAL STATEMENTS**

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**J. Real Estate**

The Company did not have investments in real estate at December 31, 2022 and 2021.

**K. Low-Income Housing Tax Credits (LIHTC)**

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  Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2  Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	3  Increase/ (Decrease) (1 minus 2)	4  Total Current Year Admitted Restricted	5  Total Current Year Admitted Restricted (1 minus 4)	6  Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7  Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	.....	.....
b. Collateral held under security lending agreements .....	.....	.....	.....	.....	.....	.....	.....
c. Subject to repurchase agreements .....	.....	.....	.....	.....	.....	.....	.....
d. Subject to reverse repurchase agreements .....	.....	.....	.....	.....	.....	.....	.....
e. Subject to dollar repurchase agreements .....	.....	.....	.....	.....	.....	.....	.....
f. Subject to dollar reverse repurchase agreements .....	.....	.....	.....	.....	.....	.....	.....
g. Placed under option contracts .....	.....	.....	.....	.....	.....	.....	.....
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock .....	.....	.....	.....	.....	.....	.....	.....
i. FHLB capital stock .....	.....	.....	.....	.....	.....	.....	.....
j. On deposit with states .....	110,916	110,107	809	.....	110,916	0.065	0.067
k. On deposit with other regulatory bodies .....	.....	.....	.....	.....	.....	.....	.....
l. Pledged collateral to FHLB (including assets backing funding agreements) .....	.....	.....	.....	.....	.....	.....	.....
m. Pledged as collateral not captured in other categories .....	.....	.....	.....	.....	.....	.....	.....
n. Other restricted assets .....	.....	.....	.....	.....	.....	.....	.....
o. Total Restricted Assets .....	\$ 110,916	\$ 110,107	\$ 809	\$ .....	\$ 110,916	0.065	0.067

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

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

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories – Not applicable.

(3) Detail of Other Restricted Assets – Not applicable.

(4) Collateral Received and Reflected as Assets within the Reporting Entity's Financial Statements – Not applicable.

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**NOTES TO FINANCIAL STATEMENTS**


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**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 and netting of assets and liabilities at December 31, 2022 and 2021.

**O. SGI Securities**

The Company did not have any SGI securities at 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**

The Company did not have any prepayment penalty or acceleration fees at December 31, 2022 and 2021.

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

The Company did not participate in any cash pools at December 31, 2022 and 2021.

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

**A.** The Company had no investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at December 31, 2022 or 2021.

**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 non-admitted accrued investment income.

**8. Derivative Instruments**

The Company had no derivative instruments at December 31, 2022 or 2021.

**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**

**A. Nature of the Relationship:** The Company owns 100% of Community Options, LLC.

**B. Significant Transactions for Each Period:** Not applicable.

**C. Transactions with Related Parties not Reported on Schedule Y:** Not applicable.

**D. Amounts Due from or to Related Parties:** Not applicable.

**E. Management and Service Contracts and Cost Sharing Arrangements:** Not applicable.

**F. Guarantees or Undertakings:** Not applicable.

**G. Nature of Control Relationships that Could Affect Operations or Financial Position:** Not applicable.

**H. Amount Deducted for Investment to Upstream Company:** Not applicable.



## NOTES TO FINANCIAL STATEMENTS

- I. **Detail of Investments in Affiliates Greater than 10% of Admitted Assets:** Not applicable.
- J. **Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated Companies ("SCA"):** Not applicable.
- K. **Investment in a Foreign Insurance Subsidiary:** Not applicable.
- L. **Investments in Downstream Non-Insurance Holding Companies:** Not applicable.
- M. **All SCA investments:** Not applicable.
- N. **Investment in Insurance SCAs:** Not applicable.
- O. **SCA and SSAP No. 48 Entity Loss Tracking:** Not applicable.

**11. Debt****A. Debt, including Capital Notes**

At December 31, 2022 and 2021 the Company had outstanding a note payable, with a face value and a carry value of \$28,072 and \$109,007, respectively, to Mill 3 Storehouse, LLC, for expenses related to leasehold improvements. The note payable was issued May 1, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$7,106 until April 2023. The note is contingent upon the Company remaining in the leased space. If the Company does not renew the lease after the initial five year term, the note will become due 60 days after cancellation. The note carries interest at 6%. During 2022 and 2021, the Company paid interest of \$4,339 and \$9,041 on this note. This note is off-set against leasehold improvements in line 21 of the Asset Schedule. The Mill 3 Storehouse, LLC lease is ending on April 30, 2023, and the Company is currently negotiating a lease at a new facility.

At December 31, 2022 and 2021 the Company had outstanding a note payable, with a face value and a carry value of \$21,136 and \$82,070, respectively, to Mill 2 Storehouse, LLC, for expenses related to leasehold improvements. The note payable was issued October 1, 2014 (the commencement date) and is payable in monthly principal and interest payments of \$5,350 until April 2023. The note is contingent upon the Company remaining in the leased space. If the Company does not renew the lease after the initial five year term, the note will become due 60 days after cancellation. The note carries interest at 6%. During 2022 and 2021, the Company paid interest of \$3,267 and \$6,807 on this note. The Mill 2 Storehouse, LLC lease is ending on April 30, 2023, and the Company is currently negotiating a lease at a new facility.

Debt maturities subsequent to December 31, 2022 consist of:

2023	\$ 49,208
2024	-
2025 or after	-
Total	<u>\$ 49,208</u>

The Company does not have any reverse repurchase agreements at December 31, 2022 or 2021.

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

The Company had no FHLB Agreements outstanding at December 31, 2022 or 2021.

## NOTES TO FINANCIAL STATEMENTS

**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.

**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. For the years ended December 31, 2022 and 2021, 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 was \$363,767 and \$416,758 for 2022 and 2021, respectively.

The Company owns a Section 457(b) Plan (the "Plan") for its employees. The Plan limits participation to a select group of management or highly compensated employees (or "top hat" group) and is exempt from most Employee Retirement Income Security Act of 1974 requirements. The value of the Plan funds was \$144,000 and \$144,000 at December 31, 2022 and 2021, respectively. As of December 31, 2022 and 2021 the fair market value of the funds is \$217,701 and \$247,780, respectively.

**F. Multiemployer Plans**

Not applicable.

**G. Consolidated/Holding Company Plans**

Not applicable.

**H. Postemployment Benefits and Compensated Absences**

Liabilities for earned not yet taken vacation benefits have been accrued as of December 31, 2022 and 2021.

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

Not applicable.

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

**A. Outstanding Shares:** The Company has no outstanding shares.

**B. Preferred Stock:** The Company has no preferred stock outstanding.

**C. Dividend Restrictions:** Not applicable.

**D. Dividends Paid:** Not applicable.

## NOTES TO FINANCIAL STATEMENTS

- E. Maximum Ordinary Dividend during 2022:** Not applicable.
- F. Unassigned Surplus Restrictions:** There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- G. Mutual Surplus Advances:** Not applicable.
- H. Company Stock Held for Special Purpose:** Not applicable.
- I. Changes in Special Surplus Funds:** Not applicable.
- J. Changes in Unassigned Funds:** Not applicable.
- K. Surplus Notes:** The Company issued the following surplus debentures or similar obligations:

1	2	3	4	5	6	7	8
Item Number	Date Issued	Interest Rate	Original Issue Amount of Note	Is Surplus Note Holder a Related Party (Y/N)	Carrying Value of Note Prior Year	Carrying Value of Note Current Year *	Unapproved Interest And/Or Principal
1001	03/29/2012	0.000%	\$ 12,506,124	N	\$ 12,506,124	\$ 12,506,124	\$ -
1002	02/22/2013	0.370%	\$119,810,000	N	\$119,810,000	\$119,810,000	\$ 2,944,940
Total	XXX	XXXX	\$132,316,124	XXX	\$132,316,124	\$132,316,124	\$ 2,944,940

\* Total should agree with Page 3, Line 29.

1	9	10	11	12	13	14
Item Number	Current Year Interest Expense Recognized	Life-To-Date Interest Expense Recognized	Current Year Interest Offset Percentage (not including amounts paid to a 3rd party liquidity provider).	Current Year Principal Paid	Life-To-Date Principal Paid	Date of Maturity
1001	\$ -	\$ -	-	\$ -	\$ -	08/12/2020
1002	\$ -	\$ -	-	\$ -	\$ -	12/30/2030
Total	\$ -	\$ -	XXX	\$ -	\$ -	XXX

1	15	16	17	18	19
Item Number	Are Surplus Note payments contractually linked? (Y/N)	Surplus Note payments subject to administrative offsetting provisions? (Y/N)	Were Surplus Note proceeds used to purchase an asset directly from the holder of the surplus note? (Y/N)	Is Asset Issuer a Related Party (Y/N)	Type of Assets Received Upon Issuance
1001	Y	N	N	N	Cash
1002	Y	N	N	N	Cash
Total	XXX	XXX	XXX	XXX	XXX

1	20	21	22
Item Number	Principal Amount of Assets Received Upon Issuance	Book/Adjusted Carry Value of Assets	Is Liquidity Source a Related Party to the Surplus Note Issuer? (Y/N)
1001	\$ 12,506,124	\$ 12,506,124	N
1002	\$119,810,000	\$119,810,000	N
Total	\$132,316,124	\$132,316,124	XXX

At December 31, 2022 and 2021, the surplus notes had carrying values of \$119,810,000 and \$12,506,124. Under the terms of the \$119,800,000 surplus notes, each individual draw is repayable fifteen years from the date of the draw, with the last repayment due December 30, 2030. Under the terms of the \$12,506,124 surplus notes, each individual draw is repayable five years from the date of the draw, with the last repayment due August 12, 2020. Accrued interest payments are due annually beginning in 2020 for draws made prior to 2019. Interest rates for the surplus notes of \$119,810,000 and \$12,506,124 are accrued at 0.37% and 0.00%, respectively.

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**NOTES TO FINANCIAL STATEMENTS**


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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 earnings to make such payment. During 2022 and 2021, 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.

- 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 has no contingent commitments at December 31, 2022 and 2021.

**B. Assessments**

The Company has identified no assessments that could have a material financial effect on these statements at December 31, 2022 and 2021.

**C. Gain Contingencies**

In January 2022, the Company and the United States Government entered into a joint stipulation agreement wherein the parties agreed that the Company was entitled to payment under section 1402 of the Affordable Care Act for unpaid Cost Share Reduction payments through December 31, 2017. In addition, the Company entered into an agreement with a supplier settling an outstanding dispute. Payment for both these matters was received during the first quarter of 2022. There were no additional significant changes during 2022.

**D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**

Not applicable.

**E. Joint and Several Liabilities**

Not applicable.

**F. All Other Contingencies**

At December 31, 2022 and 2021, the Company reported admitted assets of \$832,022 and \$706,852, respectively, in premiums receivable due from policyholders. Based upon Company experience, any uncollectible receivables are not expected to exceed \$226,415 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 Leases**

- (1) The Company leases office space under various non-cancelable operating leases. Related lease expense for 2022 and 2021 was \$226,667 and \$216,667, respectively.



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**NOTES TO FINANCIAL STATEMENTS**


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Certain rental commitments have renewal options extending until April 2023 and include incremental increases in the per-foot cost each year. Certain rental commitments include favorable purchase options at the end of the lease term. However, the current facility lease is ending on April 30, 2023, and CHO is currently negotiating a lease at a new facility.

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

Year Ended December 31,	Operating Leases
2023	76,666
Total	<u>\$ 76,666</u>

(3) The Company is not involved in any sales-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 had no financial instruments with off-balance sheet risk at December 31, 2022 and 2021.

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**

Not applicable at December 31, 2022 or 2021.

**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 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.

**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.

## NOTES TO FINANCIAL STATEMENTS

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

The Company had no premiums written by managing general agents or third-party administrators during the years ended December 31, 2022 and 2021.

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

The Company had no material assets or liabilities measured and reported at fair value at December 31, 2022.

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

Not applicable.

**C. Financial Instruments**

Certain of the Company's financial instruments are measured at fair value. The fair values of these instruments are based on valuations that include inputs that can be classified within one of three levels of a hierarchy established by GAAP. The following are the levels of the hierarchy and a brief description of the type of valuation information (inputs) that qualifies a financial asset or liability for each level:

- **Level 1** – Unadjusted quoted prices for identical assets or liabilities in active markets.
- **Level 2** – 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** – Developed from unobservable data, reflecting the Organization's own assumptions.

Financial assets and liabilities are classified based upon the lowest level of input that is significant to the valuation. When quoted prices in active markets for identical assets and liabilities are available, the Company uses these quoted market prices to determine the fair value of financial assets and liabilities and classify these assets and liabilities as Level 1. In other cases where a quoted market price for identical assets and liabilities in an active market is either not available or not observable, the Company estimates fair value using valuation methodologies based on available and observable market information or by using a matrix pricing model. These financial assets and liabilities would then be classified as Level 2. If quoted market prices are not available, the Company determines fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. Thus, financial assets and liabilities may be classified in Level 3 even though there may be some significant inputs that may be observable.

There have been no significant changes in the valuation techniques during 2022.

The carrying values and estimated fair values of the Company's financial instruments at December 31, 2022 were as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$110,235,375	\$123,429,471	\$-----	\$123,429,471	\$-----	\$-----	\$-----
Cash Equivalents	\$11,632,632	\$11,632,632	\$11,632,632	\$-----	\$-----	\$-----	\$-----

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

There are no financial instruments that were not practicable to estimate fair value at December 31, 2022 and 2021.

## NOTES TO FINANCIAL STATEMENTS

**E. Investments Measured at Net Asset Value (NAV) Practical Expedient**

The Company had no investments measured using the NAV practical expedient at December 31, 2022 and 2021.

**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 \$110,916 and \$110,107, respectively, were on deposit with a regulatory authority at December 31, 2022 and 2021.

**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.

**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

**22. Events Subsequent**

Subsequent events have been considered through February 27, 2023 for the statutory statements issued on February 28, 2023. There were no events occurring subsequent to December 31, 2022 requiring disclosure.

**23. Reinsurance****A. Ceded Reinsurance Report.**

## Section 1 – General Interrogatories

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

Yes ( )                      No ( X )

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

Yes ( )                      No ( X )

## Section 2 – Ceded Reinsurance Report – Part A

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

Yes ( )                      No ( X )

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

Yes ( )                      No ( X )

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**NOTES TO FINANCIAL STATEMENTS**


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**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 ( )                      No ( X)

**B. Uncollectible Reinsurance**

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

**C. Commutation of Ceded Reinsurance**

The Company has not commuted ceded reinsurance during the years ended December 31, 2022 and 2021.

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

Not applicable at December 31, 2022 and 2021.

**E. Reinsurance Credit**

Not applicable at December 31, 2022 and 2021.

**24. Retrospectively Rated Contracts and 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 review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.
- B. The Company records retrospective premium as an adjustment to earned premium.
- C. The amount of premiums written by the Company at December 31, 2022 that was subject to retrospective rating features was \$206,176,600 which represented 100% of the total net premiums written.



## NOTES TO FINANCIAL STATEMENTS

## D. Medical loss ratio rebates required pursuant to the Public Health Service Act.

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
<b>Prior Reporting Year</b>					
(1) Medical loss ratio rebates incurred	\$ 11,151,383	-	\$ (170,013)	-	\$ 10,981,370
(2) Medical loss ratio rebates paid	\$ 13,538,989	-	\$ 286,430	-	\$ 13,825,419
(3) Medical loss ratio rebates unpaid	\$ 6,569,580	-	-	-	\$ 6,569,580
(4) Plus reinsurance assumed amounts	XXXX	XXXX	XXXX	XXXX	XXXX
(5) Less reinsurance ceded amounts	XXXX	XXXX	XXXX	XXXX	XXXX
(6) Rebates unpaid net of reinsurance	XXXX	XXXX	XXXX	XXXX	XXXX
<b>Current Reporting Year-to-Date</b>					
(1) Medical loss ratio rebates incurred	\$ 2,930,080	-	-	-	\$ 2,930,080
(2) Medical loss ratio rebates paid	\$ 8,064,904	-	-	-	\$ 8,064,904
(3) Medical loss ratio rebates unpaid	\$ 1,434,756	-	-	-	\$ 1,434,756
(4) Plus reinsurance assumed amounts	XXXX	XXXX	XXXX	XXXX	XXXX
(5) Less reinsurance ceded amounts	XXXX	XXXX	XXXX	XXXX	XXXX
(6) Rebates unpaid net of reinsurance	XXXX	XXXX	XXXX	XXXX	XXXX

## 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
<b>a. Permanent ACA Risk Adjustment Program</b>	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment (including high-risk payments)	\$ 9,064,000
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	79,294
3. Premium adjustments payable due to ACA Risk Adjustment (including high-risk payments)	4,607,240
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	4,456,760
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	78,678
<b>b. Transitional ACA Reinsurance Program</b>	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	0
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	0
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	0
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	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	0
9. ACA Reinsurance contributions – not reported as ceded premium	0
<b>c. Temporary ACA Risk Corridors Program</b>	
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

## 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	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8	9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable (Payable)
<b>a. Permanent ACA Risk Adjustment Program</b>										
1. Premium adjustments receivable (including high-risk payments) .....	4,700,000	0	12,099,265	0	(7,399,265)	0	7,399,265	0	A	0
2. Premium adjustments (payable) (including high-risk payments) .....	0	5,900,000	0	4,108,172	0	1,791,828	0	(1,791,828)	B	0
3. Subtotal ACA Permanent Risk Adjustment Program .....	4,700,000	5,900,000	12,099,265	4,108,172	(7,399,265)	1,791,828	7,399,265	(1,791,828)		0
<b>b. Transitional ACA Reinsurance Program</b>										
1. Amounts recoverable for claims paid .....	0	0	0	0	0	0	0	0	C	0
2. Amounts recoverable for claims unpaid (contra liability) .....	0	0	0	0	0	0	0	0	D	0
3. Amounts receivable relating to uninsured plans .....	0	0	0	0	0	0	0	0	E	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
5. Ceded reinsurance premiums payable .....	0	0	0	0	0	0	0	0	G	0
6. Liability for amounts held under uninsured plans ..	0	0	0	0	0	0	0	0	H	0
7. Subtotal ACA Transitional Reinsurance Program .....	0	0	0	0	0	0	0	0		0
<b>c. Temporary ACA Risk Corridors Program</b>										
1. Accrued retrospective premium .....	0	0	0	0	0	0	0	0		0
2. Reserve for rate credits or policy experience rating refunds .....	0	0	0	0	0	0	0	0	J	0
3. Subtotal ACA Risk Corridors Program .....	0	0	0	0	0	0	0	0		0
<b>d. Total for ACA Risk Sharing Provisions</b>	4,700,000	5,900,000	12,099,265	4,108,172	(7,399,265)	1,791,828	7,399,265	(1,791,828)		0

Explanation of Adjustments

- A Adjustment was made to reflect the ending balance as reported in the Centers for Medicare & Medicaid Services "Summary Report on Transitional Reinsurance Payments and Permanent Risk Adjustment Transfers for the 2021 Benefit Year"
- B Adjustment was made to reflect the ending balance as reported in the Centers for Medicare & Medicaid Services "Summary Report on Transitional Reinsurance Payments and 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

## 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	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8	9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable (Payable)
a. 2014										
1. Accrued retrospective premium .....	0	0	0	0	0	0	0	0	A	0
2. Reserve for rate credits or policy experience rating refunds .....	0	0	0	0	0	0	0	0	B	0
b. 2015										
1. Accrued retrospective premium .....	0	0	0	0	0	0	0	0	C	0
2. Reserve for rate credits or policy experience rating refunds .....	0	0	0	0	0	0	0	0	D	0
c. 2016										
1. Accrued retrospective premium .....	0	0	0	0	0	0	0	0	E	0
2. Reserve for rate credits or policy experience rating refunds .....	0	0	0	0	0	0	0	0	F	0
d. Total for Risk Corridors	0	0	0	0	0	0	0	0		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	0	0	0	0	0	0
b. 2015	0	0	0	0	0	0
c. 2016	0	0	0	0	0	0
e. Total (a+b+c)	0	0	0	0	0	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**

- A. Reserves as of December 31, 2022 were \$16,885,067. As of December 31, 2022, \$11,970,884 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$66,744 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 \$131,004 favorable prior year development since December 31, 2021 to December 31, 2022. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.



## NOTES TO FINANCIAL STATEMENTS

- B.** There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid claims and claim 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	\$ 2,598,343	\$ 2,299,493	\$ -	\$ -	\$ -
09/30/2022	\$ 2,806,214	\$ 2,186,566	\$ -	\$ -	\$ -
06/30/2022	\$ 2,226,994	\$ 2,080,775	\$ -	\$ 2,365,187	\$ -
03/31/2022	\$ 1,880,181	\$ 1,864,762	\$ -	\$ 2,075,015	\$ (68,571)
12/31/2021	\$ 2,030,821	\$ 1,555,514	\$ 101,445	\$ 2,021,625	\$ 8,706
09/30/2021	\$ 1,360,561	\$ 1,538,880	\$ -	\$ 1,799,751	\$ (142,513)
06/30/2021	\$ 2,393,120	\$ 1,555,127	\$ -	\$ 1,676,246	\$ (122,854)
03/31/2021	\$ 1,466,328	\$ 1,360,651	\$ -	\$ 1,504,389	\$ (91,215)
12/31/2020	\$ 1,979,071	\$ 1,271,773	\$ -	\$ 1,877,069	\$ (22,837)
09/30/2020	\$ 1,030,659	\$ 1,340,135	\$ -	\$ 1,791,216	\$ 81,242
06/30/2020	\$ 2,510,777	\$ 1,519,333	\$ -	\$ 1,615,029	\$ 53,510
03/31/2020	\$ 2,235,403	\$ 1,536,263	\$ -	\$ 1,521,155	\$ 54,651

**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**

The Company recorded a liability for premium deficiency reserves at December 31, 2022.

- |   |               |
|---|---------------|
| 1. Liability carried for premium deficiency reserves              | \$ 15,800,000 |
| 2. Date of the most recent evaluation of this liability           | 12/31/2022    |
| 3. Was anticipated investment income utilized in the calculation? | Yes X No      |

**31. Anticipated Salvage and Subrogation**

The Company took into account estimated anticipated subrogation recoveries in its determination of the liability for unpaid claims and reduced such liability by \$0 for the years ended December 31, 2022 and 2021.

**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? ..... Maine

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. ....

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: .....

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2021

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2017

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 10/04/2019

3.4 By what department or departments?  
Maine Bureau of Insurance .....

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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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?  
KPMG LLC One Financial Plaza 755 Main Street Hartford, CT 06103 .....
- 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?  
Kathleen Ely FSA, MAAA, Millman 80 Lamberton Road Windsor, CT 06095 Actuary/Consultant .....
- 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 [ ] No [ X ]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s). ....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s). ....

**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 ..... \$ .....0
- 20.12 To stockholders not officers ..... \$ .....0
- 20.13 Trustees, supreme or grand (Fraternal Only) ..... \$ .....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers ..... \$ .....0
- 20.22 To stockholders not officers ..... \$ .....0
- 20.23 Trustees, supreme or grand (Fraternal Only) ..... \$ .....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? ..... Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others ..... \$ .....0
- 21.22 Borrowed from others ..... \$ .....0
- 21.23 Leased from others ..... \$ .....0
- 21.24 Other ..... \$ .....0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ ] No [ X ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ .....0
- 22.22 Amount paid as expenses ..... \$ .....0
- 22.23 Other amounts paid ..... \$ .....0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ ] No [ X ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....0
- 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) .....
- 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. .... \$ .....
- 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. .... \$ .....0
- 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. .... \$ .....0
- 25.093 Total payable for securities lending reported on the liability page. .... \$ .....0

- 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 ..... \$ .....0
- 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 ..... \$ .....110,916
- 26.28 On deposit with states ..... \$ .....
- 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
Key Private Bank .....	4900 Tiedeman Road, Brooklyn, OH 44144-2302 .....
US Bank .....	1555 N. Rivercenter Dr. Suite 300 Milwaukee, WI 53212 .....

**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
Key Private Bank .....	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
Not Applicable .....	Key Private Bank .....	HJX2X73FUCYHUVH1BK78 .....	Office of the Comptroller of the Currency .....	DS.....

- 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 .....	123,429,471	110,235,375	(13,194,096)
31.2 Preferred stocks .....	0		0
31.3 Totals	123,429,471	110,235,375	(13,194,096)

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

IDC Fixed Income .....

- 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 [ X ] No [ ]

- 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 [ X ] 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 [ ☒ ]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 [ ☒ ]

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? ..... \$ ..... 157,446

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
Health Plan Alliance LLC .....	54,537
Maine Association of Health Plans .....	44,533

41.1 Amount of payments for legal expenses, if any? ..... \$ ..... 108,012

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
Kozak & Gayer, PA .....	107,374

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? ..... \$ ..... 50,250

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
Government Strategies .....	50,250



**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 .....	205,096,474
2.2	Premium Denominator .....	164,039,529
2.3	Premium Ratio (2.1/2.2) .....	1.000
2.4	Reserve Numerator .....	37,400,063
2.5	Reserve Denominator .....	53,396,518
2.6	Reserve Ratio (2.4/2.5) .....	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 [ ]
5.2	If no, explain: .....	
5.3	Maximum retained risk (see instructions)	
	5.31 Comprehensive Medical .....	\$ .....226,000
	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: .....	
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 .....	28,500
	8.2 Number of providers at end of reporting year .....	29,365
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.....\$ 325,989  
 10.22 Amount actually paid for year bonuses.....\$ 531,771  
 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 ☐ No ☒  
 11.13 An Individual Practice Association (IPA), or, ..... Yes ☐ No ☒  
 11.14 A Mixed Model (combination of above)? ..... Yes ☐ No ☒

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? ..... Yes ☒ No ☐

11.3 If yes, show the name of the state requiring such minimum capital and surplus. .... Maine

11.4 If yes, show the amount required. .... \$ 18,171,160

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? ..... Yes ☐ No ☒

11.6 If the amount is calculated, show the calculation

200% of Health Risk-Based Capital Authorized Control Level (200% of \$9,085,580) .....

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

1 Name of Service Area
Maine .....
New Hampshire .....

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
.....	.....	.....	.....	.....	.....	.....

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 guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

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

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 ☐

**FIVE-YEAR HISTORICAL DATA**

	1 2022	2 2021	3 2020	4 2019	5 2018
<b>Balance Sheet (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 28) .....	165,982,001	184,016,793	218,975,407	182,400,876	170,659,367
2. Total liabilities (Page 3, Line 24) .....	47,198,985	63,626,876	78,835,404	98,211,955	113,325,811
3. Statutory minimum capital and surplus requirement .....	18,171,160	14,451,650	14,465,520	15,932,156	27,545,738
4. Total capital and surplus (Page 3, Line 33) .....	118,783,016	120,389,917	140,140,003	84,188,921	57,333,556
<b>Income Statement (Page 4)</b>					
5. Total revenues (Line 8) .....	205,096,908	164,254,590	243,934,497	242,544,604	380,316,002
6. Total medical and hospital expenses (Line 18) .....	180,280,193	139,348,360	137,374,363	158,047,040	283,260,726
7. Claims adjustment expenses (Line 20) .....	13,432,586	11,319,822	14,204,753	17,303,461	18,515,638
8. Total administrative expenses (Line 21) .....	29,499,016	25,029,634	40,765,985	37,578,208	37,732,988
9. Net underwriting gain (loss) (Line 24) .....	(4,214,887)	(23,065,986)	55,612,156	23,315,895	25,006,650
10. Net investment gain (loss) (Line 27) .....	1,711,046	1,440,888	1,574,472	3,276,791	1,860,984
11. Total other income (Lines 28 plus 29) .....	1,204,927	1,614,154	(684,162)	(1,405,842)	(1,580,815)
12. Net income or (loss) (Line 32) .....	(1,298,914)	(20,010,944)	56,502,466	25,186,844	25,286,819
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	(20,648,045)	(43,566,626)	42,999,018	799,044	99,596,671
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital .....	118,783,016	120,389,917	140,140,003	84,188,921	57,333,556
15. Authorized control level risk-based capital .....	9,085,580	7,225,825	7,238,898	7,966,078	13,772,869
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7) .....	29,300	22,984	26,130	37,062	50,052
17. Total members months (Column 6, Line 7) .....	349,740	284,476	337,405	468,819	633,678
<b>Operating Percentage (Page 4)</b> (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) .....	87.9	84.9	56.4	65.2	74.7
20. Cost containment expenses .....	4.1	4.5	4.0	4.5	2.7
21. Other claims adjustment expenses .....	2.5	2.4	1.8	2.6	2.1
22. Total underwriting deductions (Line 23) .....	102.1	114.2	77.3	90.5	93.7
23. Total underwriting gain (loss) (Line 24) .....	(2.1)	(14.1)	22.8	9.6	6.6
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5) .....	11,095,324	17,259,760	20,259,444	32,590,939	26,246,949
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)] .....	11,226,938	19,459,101	23,237,320	45,498,040	29,226,654
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) .....	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) .....	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) .....	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
30. Affiliated mortgage loans on real estate .....	0	0	0	0	0
31. All other affiliated .....	0	0	0	0	0
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 .....	0	0	0	0	0

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	Direct Business Only								
		2	3	4	5	6	7	8	9	10
	Active Status (a)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	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	206,176,600						206,176,600	
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							0	
31. New Jersey .....	NJ	N							0	
32. New Mexico .....	NM	N							0	
33. New York .....	NY	N							0	
34. North Carolina .....	NC	N							0	
35. North Dakota .....	ND	N							0	
36. Ohio .....	OH	N							0	
37. Oklahoma .....	OK	N							0	
38. Oregon .....	OR	N							0	
39. Pennsylvania .....	PA	N							0	
40. Rhode Island .....	RI	N							0	
41. South Carolina .....	SC	N							0	
42. South Dakota .....	SD	N							0	
43. Tennessee .....	TN	N							0	
44. Texas .....	TX	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	206,176,600	0	0	0	0	0	0	206,176,600	0
60. Reporting Entity Contributions for Employee Benefit Plans .....	XXX								0	
61. Totals (Direct Business) .....	XXX	206,176,600	0	0	0	0	0	0	206,176,600	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
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) .....	XXX	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

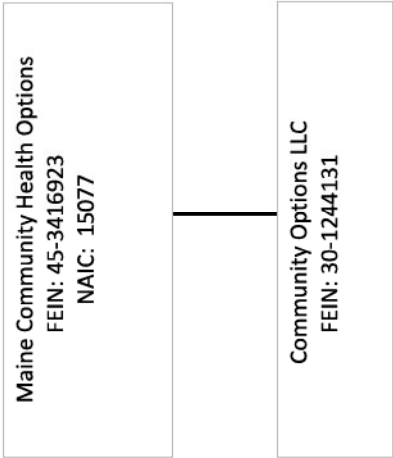
1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG ..... 2      4. Q - Qualified - Qualified or accredited reinsurer ..... 0  
 2. R - Registered - Non-domiciled RRGs ..... 0      5. N - None of the above - Not allowed to write business in the state ..... 55  
 3. E - Eligible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

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

Allocation is based on the residency of the member or group



ANNUAL STATEMENT FOR THE YEAR 2022 OF THE Maine Community Health Options



**OVERFLOW PAGE FOR WRITE-INS**

**NONE**