HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2019
OF THE CONDITION AND AFFAIRS OF THE

Anthem Health Plans of Maine, Inc.

NAIC Group Code 0671 (Current) 0671 (Prior) NAIC Company Code 52618 Employer's ID Number 31-1705652

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: Other

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

Incorporated/Organized 03/10/2000 Commenced Business 06/05/2000

Statutory Home Office 2 Gannett Drive (Street and Number), South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)

Main Administrative Office 2 Gannett Drive (Street and Number)
South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code), 866-583-6182 (Area Code) (Telephone Number)

Mail Address 2 Gannett Drive (Street and Number or P.O. Box), South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2 Gannett Drive (Street and Number)
South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code), 866-583-6182 (Area Code) (Telephone Number)

Internet Website Address www.anthem.com

Statutory Statement Contact Leigh Barrett (Name), 317-488-6816 (Area Code) (Telephone Number)
leigh.barrett@anthem.com (E-mail Address), 317-488-6200 (FAX Number)

OFFICERS

President and Chairperson	Denise Finn McDonough	Treasurer	Vincent Edward Scher
Secretary	Kathleen Susan Kiefer	Assistant Treasurer	Eric (Rick) Kenneth Noble

OTHER

Laura Sanborn #, Assistant Secretary

DIRECTORS OR TRUSTEES

Denise Finn McDonough	Laurie Helm Benintendi	Kathleen Susan Kiefer
Ronald William Penczek	Vincent Edward Scher	John Edward Gallina
Heather Chockley Steinmeyer #		

State of Maine
County of Cumberland SS:

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

Denise Finn McDonough President	Kathleen Susan Kiefer Secretary	Vincent Edward Scher Treasurer

Subscribed and sworn to before me this 21st day of February, 2020

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

SHARON W. BERRY
Notary Public, Maine
My Commission Expires January 8, 2024

ASSETS

		Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	257,013,393		257,013,393	246,152,805
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 (less $ 0 encumbrances)	72,500		72,500	72,500
	4.2 Properties held for the production of income (less $ 0 encumbrances)			0	
	4.3 Properties held for sale (less $ 0 encumbrances)			0	
5.	Cash ($ 1,682,290 , Schedule E - Part 1), cash equivalents ($ 998,050 , Schedule E - Part 2) and short-term investments ($ 1,494,308 , Schedule DA)	4,174,648		4,174,648	2,314,927
6.	Contract loans, (including $ premium notes)			0	
7.	Derivatives (Schedule DB)			0	
8.	Other invested assets (Schedule BA)			0	0
9.	Receivables for securities			0	
10.	Securities lending reinvested collateral assets (Schedule DL)	4,083,020		4,083,020	11,915,083
11.	Aggregate write-ins for invested assets	0	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	265,343,561	0	265,343,561	260,455,315
13.	Title plants less $ charged off (for Title insurers only)			0	
14.	Investment income due and accrued	1,668,087	0	1,668,087	1,727,989
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	42,779,841	988,762	41,791,079	24,249,174
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ 20,709,701 earned but unbilled premiums)	20,709,701	0	20,709,701	19,048,039
	15.3 Accrued retrospective premiums ($ 1,890,875) and contracts subject to redetermination ($ 29,221)	1,920,096	0	1,920,096	3,229,693
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	6,347,363	0	6,347,363	19,750
	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	68,042,293	9,978,490	58,063,803	70,774,144
18.1	Current federal and foreign income tax recoverable and interest thereon	0	0	0	2,255,572
18.2	Net deferred tax asset	0	0	0	5,602,126
19.	Guaranty funds receivable or on deposit	187,052	0	187,052	220,481
20.	Electronic data processing equipment and software		0	0	
21.	Furniture and equipment, including health care delivery assets ($)	3,514,916	3,514,916	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates		0	0	
23.	Receivables from parent, subsidiaries and affiliates		0	0	0
24.	Health care ($ 36,778,032) and other amounts receivable	47,263,729	10,485,697	36,778,032	44,507,476
25.	Aggregate write-ins for other than invested assets	67,490,879	604,170	66,886,709	61,846,004
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	525,267,518	25,572,035	499,695,483	493,935,763
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28.	Total (Lines 26 and 27)	525,267,518	25,572,035	499,695,483	493,935,763
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.	FEP Assets Held By Agent	65,232,731	0	65,232,731	61,681,444
2502.	State Income Tax receivable	1,458,937	0	1,458,937	0
2503.	Miscellaneous Receivables	205,884	10,843	195,041	164,560
2598.	Summary of remaining write-ins for Line 25 from overflow page	593,327	593,327	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	67,490,879	604,170	66,886,709	61,846,004

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
1.	Claims unpaid (less $ 2,081,305 reinsurance ceded)	98,403,357	374,650	98,778,007	84,296,139
2.	Accrued medical incentive pool and bonus amounts	1,521,398		1,521,398	499,003
3.	Unpaid claims adjustment expenses	2,084,785		2,084,785	2,080,096
4.	Aggregate health policy reserves, including the liability of $ 5,626,053 for medical loss ratio rebate per the Public Health Service Act	124,074,314		124,074,314	103,649,293
5.	Aggregate life policy reserves			0	
6.	Property/casualty unearned premium reserves			0	
7.	Aggregate health claim reserves	71,416		71,416	68,630
8.	Premiums received in advance	11,661,647		11,661,647	10,791,894
9.	General expenses due or accrued	5,342,262		5,342,262	4,395,489
10.1	Current federal and foreign income tax payable and interest thereon (including $ on realized capital gains (losses))	1,503,550		1,503,550	
10.2	Net deferred tax liability	1,064,643		1,064,643	0
11.	Ceded reinsurance premiums payable	1,697,401		1,697,401	
12.	Amounts withheld or retained for the account of others	271,275		271,275	236,972
13.	Remittances and items not allocated	13,356,860		13,356,860	3,782,267
14.	Borrowed money (including $ current) and interest thereon $ (including $ current)			0	
15.	Amounts due to parent, subsidiaries and affiliates	8,466,157		8,466,157	105,320,853
16.	Derivatives			0	
17.	Payable for securities			0	498,107
18.	Payable for securities lending	4,083,020		4,083,020	11,915,083
19.	Funds held under reinsurance treaties (with $ authorized reinsurers, $ 0 unauthorized reinsurers and $ 0 certified reinsurers)			0	
20.	Reinsurance in unauthorized and certified ($) companies			0	
21.	Net adjustments in assets and liabilities due to foreign exchange rates			0	
22.	Liability for amounts held under uninsured plans	29,579,937		29,579,937	36,869,733
23.	Aggregate write-ins for other liabilities (including $ 3,591,510 current)	17,413,280	0	17,413,280	9,473,831
24.	Total liabilities (Lines 1 to 23)	320,595,302	374,650	320,969,952	373,877,390
25.	Aggregate write-ins for special surplus funds	XXX	XXX	31,158,545	11,059,039
26.	Common capital stock	XXX	XXX	2,500,000	2,500,000
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	120,652,900	120,652,900
29.	Surplus notes	XXX	XXX	0	
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31.	Unassigned funds (surplus)	XXX	XXX	24,414,086	(14,153,566)
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	178,725,531	120,058,373
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	499,695,483	493,935,763
	DETAILS OF WRITE-INS				
2301.	FEP Special Advance	12,002,509		12,002,509	4,882,631
2302.	Escheat Liability	1,715,377		1,715,377	1,813,776
2303.	Other premium liability	1,478,315		1,478,315	1,573,813
2398.	Summary of remaining write-ins for Line 23 from overflow page	2,217,079	0	2,217,079	1,203,611
2399.	Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	17,413,280	0	17,413,280	9,473,831
2501.	Estimated ACA Health Insurer fee	XXX	XXX	21,388,342	0
2502.	Deferred gain on sale-leaseback transaction	XXX	XXX	9,770,203	11,059,039
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	31,158,545	11,059,039
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 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1.	Member Months	XXX	4,685,438	4,312,662
2.	Net premium income (including $ non-health premium income)	XXX	1,176,186,974	988,862,510
3.	Change in unearned premium reserves and reserve for rate credits	XXX	(7,148,015)	2,877,229
4.	Fee-for-service (net of $ medical expenses)	XXX	0	
5.	Risk revenue	XXX	0	
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	1,169,038,959	991,739,739
	Hospital and Medical:			
9.	Hospital/medical benefits	42,893,802	765,180,752	639,753,149
10.	Other professional services	655,206	11,546,441	9,817,634
11.	Outside referrals	0	0	0
12.	Emergency room and out-of-area	294,810	28,009,295	25,526,849
13.	Prescription drugs	1,142,031	196,710,840	173,169,829
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts		8,269,087	3,812,546
16.	Subtotal (Lines 9 to 15)	44,985,849	1,009,716,415	852,080,007
	Less:			
17.	Net reinsurance recoveries		22,472,515	
18.	Total hospital and medical (Lines 16 minus 17)	44,985,849	987,243,900	852,080,007
19.	Non-health claims (net)		0	
20.	Claims adjustment expenses, including $ 19,039,096 cost containment expenses		32,773,683	24,406,889
21.	General administrative expenses		64,431,037	69,256,197
22.	Increase in reserves for life and accident and health contracts (including $ increase in reserves for life only)		(159,903)	159,903
23.	Total underwriting deductions (Lines 18 through 22)	44,985,849	1,084,288,717	945,902,996
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	84,750,242	45,836,743
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		9,019,097	9,002,397
26.	Net realized capital gains (losses) less capital gains tax of $ 40,210		646,540	1,389,301
27.	Net investment gains (losses) (Lines 25 plus 26)	0	9,665,637	10,391,698
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $) (amount charged off $ 29,203)]		(29,203)	(18,097)
29.	Aggregate write-ins for other income or expenses	0	980,261	796,254
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	95,366,937	57,006,599
31.	Federal and foreign income taxes incurred	XXX	23,381,209	(1,635,185)
32.	Net income (loss) (Lines 30 minus 31)	XXX	71,985,728	58,641,784
	DETAILS OF WRITE-INS			
0601.		XXX		
0602.		XXX		
0603		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.		XXX		
0702.		XXX		
0703		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.				
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.	Miscellaneous income	0	980,261	796,254
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	980,261	796,254

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	120,058,373	165,385,260
34.	Net income or (loss) from Line 32	71,985,728	58,641,784
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ (2,953)	(11,107)	(117,012)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	(6,669,722)	(4,113,757)
39.	Change in nonadmitted assets	53,251,094	(60,749,066)
40	Change in unauthorized and certified reinsurance	0	
41.	Change in treasury stock	0	
42.	Change in surplus notes	0	
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
	44.1 Paid in	0	
	44.2 Transferred from surplus (Stock Dividend)	0	
	44.3 Transferred to surplus		
45.	Surplus adjustments:		
	45.1 Paid in	0	
	45.2 Transferred to capital (Stock Dividend)		
	45.3 Transferred from capital		
46.	Dividends to stockholders	(58,600,000)	(37,700,000)
47.	Aggregate write-ins for gains or (losses) in surplus	(1,288,835)	(1,288,835)
48.	Net change in capital and surplus (Lines 34 to 47)	58,667,158	(45,326,886)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	178,725,531	120,058,373
	DETAILS OF WRITE-INS		
4701.	Deferred gain on sale-leaseback transaction	(1,288,835)	(1,288,835)
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)	(1,288,835)	(1,288,835)

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	1,171,808,447	1,000,819,477
2.	Net investment income	9,498,363	9,378,755
3.	Miscellaneous income	0	
4.	Total (Lines 1 through 3)	1,181,306,810	1,010,198,232
5.	Benefit and loss related payments	978,064,464	913,186,859
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	62,811,820	154,677,385
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $ 40,210 tax on capital gains (losses)	19,662,297	(60,176)
10.	Total (Lines 5 through 9)	1,060,538,581	1,067,804,068
11.	Net cash from operations (Line 4 minus Line 10)	120,768,229	(57,605,836)
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	54,530,257	66,560,179
	12.2 Stocks	0	
	12.3 Mortgage loans	0	
	12.4 Real estate	0	
	12.5 Other invested assets	0	
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(3,164)	(576)
	12.7 Miscellaneous proceeds	7,832,063	498,107
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	62,359,156	67,057,710
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	66,426,370	94,906,726
	13.2 Stocks	0	
	13.3 Mortgage loans	0	
	13.4 Real estate	0	
	13.5 Other invested assets	0	
	13.6 Miscellaneous applications	498,107	6,278,813
	13.7 Total investments acquired (Lines 13.1 to 13.6)	66,924,477	101,185,539
14.	Net increase (decrease) in contract loans and premium notes	0	
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(4,565,321)	(34,127,829)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	
	16.2 Capital and paid in surplus, less treasury stock	0	
	16.3 Borrowed funds	0	
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	
	16.5 Dividends to stockholders	58,600,000	37,700,000
	16.6 Other cash provided (applied)	(55,743,187)	117,291,899
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(114,343,187)	79,591,899
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,859,721	(12,141,766)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	2,314,927	14,456,693
	19.2 End of year (Line 18 plus Line 19.1)	4,174,648	2,314,927

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

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	1,176,186,974	870,262,974	51,298,055	9,160,246	7,893,435	226,793,611	621,733	0	10,156,920	0
2. Change in unearned premium reserves and reserve for rate credit	(7,148,015)	(3,227,928)	(359,632)	353	48	(3,551,287)	(9,569)	0	0	0
3. Fee-for-service (net of $ ..... medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	1,169,038,959	867,035,046	50,938,423	9,160,599	7,893,483	223,242,324	612,164	0	10,156,920	0
8. Hospital/medical benefits	765,180,752	551,936,442	44,103,913	6,858,310	5,914,029	148,945,524	121,747	0	7,300,787	XXX
9. Other professional services	11,546,441	2,121	0	0	0	11,544,320	0	0	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	28,009,295	28,008,265	1,030	0	0	0	0	0	0	XXX
12. Prescription drugs	196,710,840	150,850,319	(1,351,723)	0	0	47,154,915	55,761	0	1,568	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	8,269,087	6,457,417	0	0	0	1,454,780	356,890	0	0	XXX
15. Subtotal (Lines 8 to 14)	1,009,716,415	737,254,564	42,753,220	6,858,310	5,914,029	209,099,539	534,398	0	7,302,355	XXX
16. Net reinsurance recoveries	22,472,515	22,472,515	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	987,243,900	714,782,049	42,753,220	6,858,310	5,914,029	209,099,539	534,398	0	7,302,355	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including $ 19,039,096 cost containment expenses	32,773,683	26,762,534	3,495,123	678,797	442,243	4,691,122	395,360	0	(3,691,496)	0
20. General administrative expenses	64,431,037	48,376,071	6,317,801	1,226,997	799,400	8,479,694	714,655	0	(1,483,581)	0
21. Increase in reserves for accident and health contracts	(159,903)	0	0	0	0	0	(159,903)	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	1,084,288,717	789,920,654	52,566,144	8,764,104	7,155,672	222,270,355	1,484,510	0	2,127,278	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	84,750,242	77,114,392	(1,627,721)	396,495	737,811	971,969	(872,346)	0	8,029,642	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1.	Comprehensive (hospital and medical)	884,480,743		14,217,769	870,262,974
2.	Medicare Supplement	51,298,055			51,298,055
3.	Dental only	9,160,246			9,160,246
4.	Vision only	7,893,435			7,893,435
5.	Federal Employees Health Benefits Plan	226,793,611			226,793,611
6.	Title XVIII - Medicare	621,733			621,733
7.	Title XIX - Medicaid	0			0
8.	Other health	10,156,920			10,156,920
9.	Health subtotal (Lines 1 through 8)	1,190,404,743	0	14,217,769	1,176,186,974
10.	Life	0			0
11.	Property/casualty	0			0
12.	Totals (Lines 9 to 11)	1,190,404,743	0	14,217,769	1,176,186,974

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	984,121,809	715,857,587	42,652,254	6,753,235	5,770,456	205,905,508	322,108	0	6,860,661	0
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	14,063,597	14,063,597	0	0	0	0	0	0	0	0
1.4 Net	970,058,212	701,793,990	42,652,254	6,753,235	5,770,456	205,905,508	322,108	0	6,860,661	0
2. Paid medical incentive pools and bonuses	7,246,692	5,610,697	0	0	0	1,270,336	366,326	0	(667)	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	100,859,312	72,364,688	6,015,220	499,611	414,834	20,211,598	(51,133)	0	1,404,494	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	2,081,305	2,081,305	0	0	0	0	0	0	0	0
3.4 Net	98,778,007	70,283,383	6,015,220	499,611	414,834	20,211,598	(51,133)	0	1,404,494	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	71,416	53,258	(3)	0	0	18,161	0	0	0	0
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	71,416	53,258	(3)	0	0	18,161	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	1,521,398	1,219,885	0	0	0	286,139	14,707	0	667	0
6. Net healthcare receivables (a)	(759,560)	(1,429,812)	703,062	(2,163)	0	(47,252)	16,605	0	0	0
7. Amounts recoverable from reinsurers December 31, current year	6,347,363	6,347,363	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	84,296,139	58,857,355	5,211,192	396,699	271,261	18,519,970	76,862	0	962,800	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	84,296,139	58,857,355	5,211,192	396,699	271,261	18,519,970	76,862	0	962,800	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	68,630	50,843	(3)	0	0	17,790	0	0	0	0
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	68,630	50,843	(3)	0	0	17,790	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	499,003	373,165	0	0	0	101,695	24,143	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	19,750	19,750	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	1,001,447,328	730,797,147	42,753,220	6,858,310	5,914,029	207,644,759	177,508	0	7,302,355	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	22,472,515	22,472,515	0	0	0	0	0	0	0	0
12.4 Net	978,974,813	708,324,632	42,753,220	6,858,310	5,914,029	207,644,759	177,508	0	7,302,355	0
13. Incurred medical incentive pools and bonuses	8,269,087	6,457,417	0	0	0	1,454,780	356,890	0	0	0

(a) Excludes $ 35,379,968 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	27,121,309	24,701,157	1,711,902	183,072	21,557	556,338	(52,717)	0	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	27,121,309	24,701,157	1,711,902	183,072	21,557	556,338	(52,717)	0	0	0
2. Incurred but Unreported:										
2.1 Direct	73,738,003	47,663,531	4,303,318	316,539	393,277	19,655,260	1,584	0	1,404,494	0
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	2,081,305	2,081,305								0
2.4 Net	71,656,698	45,582,226	4,303,318	316,539	393,277	19,655,260	1,584	0	1,404,494	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
4. TOTALS:										
4.1 Direct	100,859,312	72,364,688	6,015,220	499,611	414,834	20,211,598	(51,133)	0	1,404,494	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	2,081,305	2,081,305	0	0	0	0	0	0	0	0
4.4 Net	98,778,007	70,283,383	6,015,220	499,611	414,834	20,211,598	(51,133)	0	1,404,494	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	49,476,548	657,446,233	592,956	69,743,685	50,069,504	58,908,198
2. Medicare Supplement	4,364,563	39,012,759	376,158	5,639,059	4,740,721	5,211,189
3. Dental Only	313,874	6,443,916	8,341	491,270	322,215	396,699
4. Vision Only	243,227	5,527,229	(2,783)	417,617	240,444	271,261
5. Federal Employees Health Benefits Plan	17,720,067	188,417,943	(697,286)	20,927,045	17,022,781	18,537,760
6. Title XVIII - Medicare	(185,848)	732,748	(126,090)	74,957	(311,938)	76,862
7 Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	543,607	6,317,054	(59,144)	1,463,638	484,463	962,800
9. Health subtotal (Lines 1 to 8)	72,476,038	903,897,882	92,152	98,757,271	72,568,190	84,364,769
10. Healthcare receivables (a)	684,558	11,199,203	0	0	684,558	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	937,778	6,308,914	91,704	1,429,694	1,029,482	499,003
13. Totals (Lines 9 - 10 + 11 + 12)	72,729,258	899,007,593	183,856	100,186,965	72,913,114	84,863,772

(a) Excludes $ 35,379,968 loans or advances to providers not yet expensed.

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	58,799	58,503	58,049	57,793	57,793
2. 2015	596,343	660,711	660,920	660,885	660,946
3. 2016	XXX	621,226	685,164	685,389	684,442
4. 2017	XXX	XXX	614,589	712,068	710,104
5. 2018	XXX	XXX	XXX	544,874	597,263
6. 2019	XXX	XXX	XXX	XXX	652,969

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	61,068	58,505	58,049	57,834	57,793
2. 2015	666,250	661,244	660,924	660,886	660,946
3. 2016	XXX	690,594	686,730	685,578	684,442
4. 2017	XXX	XXX	723,597	712,236	710,109
5. 2018	XXX	XXX	XXX	612,871	597,936
6. 2019	XXX	XXX	XXX	XXX	723,846

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	772,463	660,946	19,997	3.0	680,943	88.2	0	0	680,943	88.2
2. 2016	780,525	684,442	20,977	3.1	705,419	90.4	0	0	705,419	90.4
3. 2017	826,393	710,104	24,730	3.5	734,834	88.9	5	0	734,839	88.9
4. 2018	708,821	597,263	21,249	3.6	618,512	87.3	673	11	619,196	87.4
5. 2019	867,035	652,969	24,856	3.8	677,825	78.2	70,877	1,416	750,118	86.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	5,246	5,224	5,222	5,221	5,221
2. 2015	28,567	36,580	36,665	36,801	36,801
3. 2016	XXX	18,286	36,445	36,443	36,438
4. 2017	XXX	XXX	30,070	37,143	37,133
5. 2018	XXX	XXX	XXX	35,294	39,657
6. 2019	XXX	XXX	XXX	XXX	37,601

Section B - Incurred Health Claims - Medicare Supplement

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	5,262	5,224	5,222	5,221	5,221
2. 2015	37,084	36,700	36,665	36,801	36,801
3. 2016	XXX	37,441	36,504	36,443	36,438
4. 2017	XXX	XXX	37,645	37,256	37,133
5. 2018	XXX	XXX	XXX	40,418	40,033
6. 2019	XXX	XXX	XXX	XXX	43,240

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	43,516	36,801	1,721	4.7	38,522	88.5	0	0	38,522	88.5
2. 2016	44,889	36,438	2,179	6.0	38,617	86.0	0	0	38,617	86.0
3. 2017	46,589	37,133	1,999	5.4	39,132	84.0	0	0	39,132	84.0
4. 2018	47,369	39,657	2,500	6.3	42,157	89.0	376	7	42,540	89.8
5. 2019	50,938	37,601	3,150	8.4	40,751	80.0	5,639	102	46,492	91.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	202	204	206	206	206
2. 2015	4,087	4,291	4,296	4,296	4,296
3. 2016	XXX	4,793	5,010	5,010	5,010
4. 2017	XXX	XXX	5,430	5,713	5,720
5. 2018	XXX	XXX	XXX	5,611	5,918
6. 2019	XXX	XXX	XXX	XXX	6,442

Section B - Incurred Health Claims - Dental Only

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	206	204	206	206	206
2. 2015	4,406	4,295	4,297	4,296	4,296
3. 2016	XXX	5,181	5,016	5,011	5,010
4. 2017	XXX	XXX	5,852	5,727	5,721
5. 2018	XXX	XXX	XXX	5,993	5,925
6. 2019	XXX	XXX	XXX	XXX	6,933

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	6,384	4,296	252	5.9	4,548	71.2	0	0	4,548	71.2
2. 2016	7,517	5,010	397	7.9	5,407	71.9	0	0	5,407	71.9
3. 2017	8,280	5,720	574	10.0	6,294	76.0	1	0	6,295	76.0
4. 2018	8,588	5,918	644	10.9	6,562	76.4	8	0	6,570	76.5
5. 2019	9,161	6,442	647	10.0	7,089	77.4	491	10	7,590	82.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	141	141	141	141	141
2. 2015	2,844	3,049	3,049	3,049	3,049
3. 2016	XXX	4,200	4,504	4,504	4,504
4. 2017	XXX	XXX	4,822	5,098	5,098
5. 2018	XXX	XXX	XXX	5,009	5,253
6. 2019	XXX	XXX	XXX	XXX	5,527

Section B - Incurred Health Claims - Vision Only

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	141	141	141	141	141
2. 2015	3,074	3,049	3,049	3,049	3,049
3. 2016	XXX	4,526	4,504	4,504	4,504
4. 2017	XXX	XXX	5,130	5,100	5,098
5. 2018	XXX	XXX	XXX	5,278	5,250
6. 2019	XXX	XXX	XXX	XXX	5,945

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	3,779	3,049	182	6.0	3,231	85.5	0	0	3,231	85.5
2. 2016	5,401	4,504	252	5.6	4,756	88.1	0	0	4,756	88.1
3. 2017	7,198	5,098	378	7.4	5,476	76.1	0	0	5,476	76.1
4. 2018	7,539	5,253	455	8.7	5,708	75.7	(3)	0	5,705	75.7
5. 2019	7,893	5,527	421	7.6	5,948	75.4	418	10	6,376	80.8

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	16,366	16,558	16,400	16,234	16,234
2. 2015	154,326	170,050	169,952	169,835	169,739
3. 2016	XXX	157,132	176,392	176,179	175,681
4. 2017	XXX	XXX	168,972	189,146	188,704
5. 2018	XXX	XXX	XXX	172,367	191,368
6. 2019	XXX	XXX	XXX	XXX	189,259

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	16,396	16,558	16,400	16,234	16,234
2. 2015	172,165	170,173	169,952	169,835	169,739
3. 2016	XXX	176,064	176,500	176,179	175,681
4. 2017	XXX	XXX	188,472	189,210	188,418
5. 2018	XXX	XXX	XXX	190,942	190,952
6. 2019	XXX	XXX	XXX	XXX	210,476

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	187,926	169,739	3,148	1.9	172,887	92.0	0	0	172,887	92.0
2. 2016	192,754	175,681	4,318	2.5	179,999	93.4	0	0	179,999	93.4
3. 2017	201,735	188,704	4,311	2.3	193,015	95.7	(286)	(7)	192,722	95.5
4. 2018	209,334	191,368	5,274	2.8	196,642	93.9	(415)	(10)	196,217	93.7
5. 2019	223,242	189,259	4,318	2.3	193,577	86.7	21,218	513	215,308	96.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	(24)	(35)	(45)	(45)	(45)
2. 2015	11,368	13,757	13,804	13,783	13,756
3. 2016	XXX	19,737	22,399	22,520	22,412
4. 2017	XXX	XXX	30,916	34,786	34,535
5. 2018	XXX	XXX	XXX	3,176	3,338
6. 2019	XXX	XXX	XXX	XXX	895

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	18	(35)	(45)	(45)	(45)
2. 2015	14,181	13,662	13,798	13,784	13,756
3. 2016	XXX	23,408	22,479	22,500	22,410
4. 2017	XXX	XXX	37,943	34,726	34,413
5. 2018	XXX	XXX	XXX	3,357	3,347
6. 2019	XXX	XXX	XXX	XXX	975

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	14,596	13,756	242	1.8	13,998	95.9	0	0	13,998	95.9
2. 2016	25,548	22,412	1,228	5.5	23,640	92.5	(2)	0	23,638	92.5
3. 2017	41,607	34,535	1,977	5.7	36,512	87.8	(122)	(4)	36,386	87.5
4. 2018	1,067	3,338	338	10.1	3,676	344.5	8	0	3,684	345.3
5. 2019	612	895	531	59.3	1,426	233.0	80	2	1,508	246.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Title XIX

NONE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior					
2. 2015					
3. 2016	XXX				
4. 2017	XXX	XXX			
5. 2018	XXX	XXX	XXX		
6. 2019	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Title XIX

NONE

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior					
2. 2015					
3. 2016	XXX				
4. 2017	XXX	XXX			
5. 2018	XXX	XXX	XXX		
6. 2019	XXX	XXX	XXX	XXX	

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

NONE

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015										
2. 2016										
3. 2017										
4. 2018										
5. 2019										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	649	649	649	649	649
2. 2015	5,194	5,870	5,870	5,870	5,870
3. 2016	XXX	4,021	4,654	4,654	4,654
4. 2017	XXX	XXX	5,746	6,337	6,504
5. 2018	XXX	XXX	XXX	8,862	9,239
6. 2019	XXX	XXX	XXX	XXX	6,316

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	650	649	649	649	649
2. 2015	5,997	5,872	5,870	5,870	5,870
3. 2016	XXX	4,498	4,662	4,654	4,654
4. 2017	XXX	XXX	6,612	6,316	6,539
5. 2018	XXX	XXX	XXX	9,846	9,144
6. 2019	XXX	XXX	XXX	XXX	7,780

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	5,803	5,870	19	0.3	5,889	101.5	0	0	5,889	101.5
2. 2016	6,244	4,654	31	0.7	4,685	75.0	0	0	4,685	75.0
3. 2017	7,740	6,504	(100)	(1.5)	6,404	82.7	35	1	6,440	83.2
4. 2018	9,022	9,239	(2,128)	(23.0)	7,111	78.8	(94)	(2)	7,015	77.8
5. 2019	10,157	6,316	527	8.3	6,843	67.4	1,464	36	8,343	82.1

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	81,379	81,244	80,622	80,199	80,199
2. 2015	802,729	894,308	894,556	894,519	894,457
3. 2016	XXX	829,395	934,568	934,699	933,141
4. 2017	XXX	XXX	860,545	990,291	987,798
5. 2018	XXX	XXX	XXX	775,193	852,036
6. 2019	XXX	XXX	XXX	XXX	899,009

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	83,741	81,246	80,622	80,240	80,199
2. 2015	903,157	894,995	894,555	894,521	894,457
3. 2016	XXX	941,712	936,395	934,869	933,139
4. 2017	XXX	XXX	1,005,251	990,571	987,431
5. 2018	XXX	XXX	XXX	868,705	852,587
6. 2019	XXX	XXX	XXX	XXX	999,195

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2015	1,034,467	894,457	25,561	2.9	920,018	88.9	0	0	920,018	88.9
2. 2016	1,062,878	933,141	29,382	3.1	962,523	90.6	(2)	0	962,521	90.6
3. 2017	1,139,542	987,798	33,869	3.4	1,021,667	89.7	(367)	(10)	1,021,290	89.6
4. 2018	991,740	852,036	28,332	3.3	880,368	88.8	553	6	880,927	88.8
5. 2019	1,169,038	899,009	34,450	3.8	933,459	79.8	100,187	2,089	1,035,735	88.6

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	3,440	710	780	1,772	178	0	0	0	0
2. Additional policy reserves (a)	0	0	0	0	0	0	0	0	0
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $) for investment income	111,625,693	46,033,330	359,632	0	0	65,232,731	0	0	0
5. Aggregate write-ins for other policy reserves	12,445,181	12,445,059	0	0	0	0	122	0	0
6. Totals (gross)	124,074,314	58,479,099	360,412	1,772	178	65,232,731	122	0	0
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0
8. Totals (Net)(Page 3, Line 4)	124,074,314	58,479,099	360,412	1,772	178	65,232,731	122	0	0
9. Present value of amounts not yet due on claims	0								0
10. Reserve for future contingent benefits	71,416	53,258	(3)	0	0	18,161	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	71,416	53,258	(3)	0	0	18,161	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0
14. Totals (Net)(Page 3, Line 7)	71,416	53,258	(3)	0	0	18,161	0	0	0
DETAILS OF WRITE-INS									
0501. Risk adjustment redetermination	12,445,181	12,445,059					122		
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	12,445,181	12,445,059	0	0	0	0	122	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
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ 0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($ ..... for occupancy of own building)	561,679	695,267	830,141	991	2,088,078
2. Salary, wages and other benefits	16,791,761	12,060,241	25,511,891	30,453	54,394,346
3. Commissions (less $ ..... ceded plus $ ..... assumed)	0	0	11,343,352	0	11,343,352
4. Legal fees and expenses	90,264	(112)	694,355	829	785,336
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	2,253,440	337,052	15,651,417	18,683	18,260,592
7. Traveling expenses	65,675	27,377	620,513	741	714,306
8. Marketing and advertising	79,056	3,943	2,120,418	2,531	2,205,948
9. Postage, express and telephone	175,757	274,678	2,241,857	2,676	2,694,968
10. Printing and office supplies	16,225	5,063	119,097	142	140,527
11. Occupancy, depreciation and amortization	0	0	0	0	0
12. Equipment	1,822	3,633	275,440	329	281,224
13. Cost or depreciation of EDP equipment and software	296,883	86,754	1,597,686	1,907	1,983,230
14. Outsourced services including EDP, claims, and other services	4,121,792	5,107,314	3,569,829	4,261	12,803,196
15. Boards, bureaus and association fees	8,943	0	366,143	437	375,523
16. Insurance, except on real estate	0	0	286,534	342	286,876
17. Collection and bank service charges	(1)	370	289,082	345	289,796
18. Group service and administration fees	3,024,512	1,067,363	2,883,619	3,442	6,978,936
19. Reimbursements by uninsured plans	(9,398,586)	(7,424,554)	(25,220,398)	0	(42,043,538)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	1,277	(461)	692,876	827	694,519
22. Real estate taxes	0	0	63,252	0	63,252
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	3,516,038	0	3,516,038
23.2 State premium taxes	0	0	8,657,837	0	8,657,837
23.3 Regulatory authority licenses and fees	5,521	589	101,356	0	107,466
23.4 Payroll taxes	939,626	710,141	1,506,921	0	3,156,688
23.5 Other (excluding federal income and real estate taxes)	0	0	6,217,129	0	6,217,129
24. Investment expenses not included elsewhere	0	0	0	292,786	292,786
25. Aggregate write-ins for expenses	3,450	779,929	494,652	592	1,278,623
26. Total expenses incurred (Lines 1 to 25)	19,039,096	13,734,587	64,431,037	362,314	(a) 97,567,034
27. Less expenses unpaid December 31, current year	0	2,084,785	5,342,262	0	7,427,047
28. Add expenses unpaid December 31, prior year	0	2,080,096	4,395,489	0	6,475,585
29. Amounts receivable relating to uninsured plans, prior year			107,785,860		107,785,860
30. Amounts receivable relating to uninsured plans, current year			68,042,293		68,042,293
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	19,039,096	13,729,898	23,740,697	362,314	56,872,005
DETAILS OF WRITE-INS					
2501. Miscellaneous expenses	3,450	779,929	494,652	592	1,278,623
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)	3,450	779,929	494,652	592	1,278,623

(a) Includes management fees of $ 99,330,800 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) 40,561	53,479
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 8,670,586	8,616,472
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5	Contract Loans		
6	Cash, cash equivalents and short-term investments	(e) 701,600	683,862
7	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	28,566	27,598
10.	Total gross investment income	9,441,313	9,381,411
11.	Investment expenses		(g) 362,314
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		362,314
17.	Net investment income (Line 10 minus Line 16)		9,019,097
	DETAILS OF WRITE-INS		
0901.	Miscellaneous Income	10,914	10,914
0902.	Securities Lending	17,652	16,684
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	28,566	27,598
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

(a) Includes $ 597,930 accrual of discount less $ 1,020,474 amortization of premium and less $ 121,210 paid for accrued interest on purchases.

(b) Includes $ ..... accrual of discount less $ ..... amortization of premium and less $ ..... paid for accrued dividends on purchases.

(c) Includes $ ..... accrual of discount less $ ..... amortization of premium and less $ ..... paid for accrued interest on purchases.

(d) Includes $ ..... for company's occupancy of its own buildings; and excludes $ ..... interest on encumbrances.

(e) Includes $ 75,701 accrual of discount less $ ..... amortization of premium and less $ ..... paid for accrued interest on purchases.

(f) Includes $ ..... accrual of discount less $ ..... amortization of premium.

(g) Includes $. ..... investment expenses and $ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ ..... interest on surplus notes and $ ..... interest on capital notes.

(i) Includes $ ..... depreciation on real estate and $ ..... 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	(168,456)	0	(168,456)	0	0
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	40,472	(470,937)	(430,465)	(14,060)	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
4.	Real estate		0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments	(3,164)		(3,164)		
7.	Derivative instruments			0		
8.	Other invested assets		0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	1,288,835	0	1,288,835	0	0
10.	Total capital gains (losses)	1,157,687	(470,937)	686,750	(14,060)	0
	DETAILS OF WRITE-INS					
0901.	Deferred gain on sale-leaseback transaction	1,288,835		1,288,835		
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	1,288,835	0	1,288,835	0	0

EXHIBIT OF NON-ADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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)			0
9.	Receivables for securities			0
10.	Securities lending reinvested collateral assets (Schedule DL)			0
11.	Aggregate write-ins for invested assets	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13.	Title plants (for Title insurers only)			0
14.	Investment income due and accrued	0		0
15.	Premiums and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	988,762	2,051,429	1,062,667
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0		0
	15.3 Accrued retrospective premiums and contracts subject to redetermination	0		0
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers	0		0
	16.2 Funds held by or deposited with reinsured companies	0		0
	16.3 Other amounts receivable under reinsurance contracts	0		0
17.	Amounts receivable relating to uninsured plans	9,978,490	37,011,716	27,033,226
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	0		0
21.	Furniture and equipment, including health care delivery assets	3,514,916	3,980,740	465,824
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0		0
23.	Receivable from parent, subsidiaries and affiliates	0		0
24.	Health care and other amounts receivable	10,485,697	35,063,593	24,577,896
25.	Aggregate write-ins for other than invested assets	604,170	715,651	111,481
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	25,572,035	78,823,129	53,251,094
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28.	Total (Lines 26 and 27)	25,572,035	78,823,129	53,251,094
	DETAILS OF WRITE-INS			
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.	Prepaid Expenses	593,327	679,614	86,287
2502.	Miscellaneous Receivables	10,843	36,037	25,194
2503.				
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)	604,170	715,651	111,481

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	2,821	19,664	19,222	18,666	18,488	229,311
2. Provider Service Organizations	0	0	0	0	0	0
3. Preferred Provider Organizations	69,614	69,430	68,985	71,194	72,154	843,509
4. Point of Service	49,500	55,340	54,735	54,017	53,749	654,646
5. Indemnity Only	30,644	31,495	31,717	31,999	32,385	381,501
6. Aggregate write-ins for other lines of business	209,180	216,929	217,287	217,112	217,165	2,576,471
7. Total	361,759	392,858	391,946	392,988	393,941	4,685,438
DETAILS OF WRITE-INS						
0601. Consumer Driven Health Products	11,259	13,709	13,345	13,482	13,494	162,170
0602. Dental	21,768	23,682	24,526	24,740	24,402	292,622
0603. Vision	142,668	147,135	147,118	145,820	146,090	1,760,747
0698. Summary of remaining write-ins for Line 6 from overflow page	33,485	32,403	32,298	33,070	33,179	360,932
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	209,180	216,929	217,287	217,112	217,165	2,576,471

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of Anthem Health Plans of Maine, Inc. (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners' ("NAIC") *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* ("NAIC SAP"), subject to any deviations prescribed or permitted by the Maine Bureau of Insurance ("Bureau").

A reconciliation of the Company's net income (loss) 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 #	2019	2018
Net Income					
(1) Anthem Health Plans of Maine state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	$ 71,985,728	$ 58,641,784
(2) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
(3) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	$ 71,985,728	$ 58,641,784
Surplus					
(5) Anthem Health Plans of Maine state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	$178,725,531	$ 120,058,373
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	$178,725,531	$ 120,058,373

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

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

C. Accounting Policies

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of excess loss reinsurance ceded and experience rating refunds. Unearned premium reserves are established to cover the unexpired portion of premiums written, and are computed by pro rata methods for direct business and based on reports received from ceding companies for reinsurance. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the 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 and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
(2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
(3) The Company has no investments in common stocks of unaffiliated companies.
(4) The Company has no investments in preferred stocks.
(5) The Company has no mortgage loans - real estate.
(6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
(7) The Company has no investments in subsidiaries, controlled and affiliated companies.
(8) The Company has no investments in joint ventures, partnerships or limited liability companies.
(9) The Company has no derivative instruments.
(10) The Company recognizes losses from other-than-temporary impairments ("OTTI") of investments in accordance with Statements of Standard Accounting Practice ("SSAP") No. 26R, *Bonds*; and SSAP No. 30R, *Common Stock*; and SSAP No. 32, *Preferred Stock*.
(11) The Company does not anticipate investment income as a factor in premium deficiency calculations.
(12) Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
(13) The Company has not modified its capitalization policy from the prior period.
(14) Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.
(15) Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.
(16) Premium under the Federal Employee Program ("FEP") is earned when chargeable benefit costs, allowable expenses and retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the Office of Personnel Management ("OPM"), when the claims are ultimately paid.
(17) A discount rate is applied to guaranty fund liabilities and assets related to assessments from insolvencies of entities that wrote long-term care contracts.

D. Going Concern

Not applicable.

2. Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2019 and 2018.

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 2019 or 2018.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2019 or 2018.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2019 or 2018.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2019 or 2018.

D. Loan-Backed Securities

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

NOTES TO FINANCIAL STATEMENTS

(2) The following OTTI were recognized during the year on loan-backed securities:

	(1) Amortized Cost Basis Before OTTI	(2) OTTI Recognized in Loss	(3) Fair Value 1 - 2
OTTI recognized 1st Quarter			
a. Intent to sell	$ —	$ —	$ —
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ —	$ —	$ —
c. Total 1st Quarter	$ —	$ —	$ —
OTTI recognized 2nd Quarter			
d. Intent to sell	$ —	$ —	$ —
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ —	$ —	$ —
f. Total 2nd Quarter	$ —	$ —	$ —
OTTI recognized 3rd Quarter			
g. Intent to sell	$ —	$ —	$ —
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ —	$ —	$ —
i. Total 3rd Quarter	$ —	$ —	$ —
OTTI recognized 4th Quarter			
j. Intent to sell	$ —	$ —	$ —
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	$ 2,753,830	$ 470,937	$ 2,282,893
l. Total 4th Quarter	$ 2,753,830	$ 470,937	$ 2,282,893
m. Annual aggregate total		$ 470,937	

(3) The table below illustrates, by security and in the aggregate, the effects of OTTI on the Company's loan-backed securities for the year ended December 31, 2019. All the loan-backed securities where OTTI was recognized are categorized such that the present value of cash flows expected to be collected is less than the amortized cost basis of the security.

1 CUSIP	2 Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	3 Present Value of Projected Cash Flows	4 Recognized OTTI	5 Amortized Cost After OTTI	6 Fair Value at time of OTTI	7 Date of Financial Statement Where Reported
3622EB-AB-4	$ 2,753,830	$ 2,282,893	$ 470,937	$ 2,282,893	$ 2,095,212	12/31/2019
Total			$ 470.937			

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

a. The aggregate amount of unrealized losses:			
	1. Less than 12 Months	$	(5,624)
	2. 12 Months or Longer	$	(644,680)
b. The aggregate related fair value of securities with unrealized losses:			
	1. Less than 12 Months	$	4,351,745
	2. 12 Months or Longer	$	19,973,195

(5) The Company's bond portfolio is sensitive to interest rate fluctuations, which impact the fair value of individual securities. Unrealized losses on bonds were primarily caused by the effects of the interest rate environment and the widening of credit spreads on certain securities. The Company currently has the ability and intent to hold these securities until their full cost can be recovered. Therefore, the Company does not believe the unrealized losses represent an OTTI at December 31, 2019 or 2018.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The Company did not enter into repurchase agreements at December 31, 2019 or 2018.

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

(3) Collateral Received

a. Aggregate amount collateral received

		Fair Value
1. Securities Lending		
(a) Open	$	4,110,043
(b) 30 days or less		—
(c) 31 to 60 days		—
(d) 61 to 90 days		—
(e) Greater than 90 days		—
(f) Sub-total	$	4,110,043
(g) Securities received		—
(h) Total collateral received	$	4,110,043

2. Dollar repurchase agreement - Not applicable.

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged	$	4,110,043

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

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

(5) Collateral Reinvestment

a. Aggregate amount collateral reinvested

		Amortized Cost	Fair Value
1.	Securities Lending		
(a)	Open	$ —	$ —
(b)	30 days or less	964,036	964,178
(c)	31 to 60 days	969,244	969,225
(d)	61 to 90 days	857,329	884,289
(e)	91 to 120 days	—	—
(f)	121 to 180 days	210,705	210,698
(g)	181 to 365 days	1,081,706	1,081,653
(h)	1 to 2 years	—	—
(i)	2 to 3 years	—	—
(j)	Greater than 3 years	—	—
(k)	Sub-total	$ 4,083,020	$ 4,110,043
(l)	Securities received	—	—
(m)	Total collateral reinvested	$ 4,083,020	$ 4,110,043

2. Dollar repurchase agreement - Not applicable.

b. Not applicable.

(6) Not applicable.

(7) Not applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into repurchase agreement transactions accounted for as secured borrowing at December 31, 2019 or 2018.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2019 or 2018.

H. Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into repurchase agreement transactions accounted for as a sale at December 31, 2019 or 2018.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into reverse repurchase agreement transactions accounted for as a sale at December 31, 2019 and 2018.

J. Real Estate

(1) The Company did not recognize any impairment losses on its investment real estate at December 31, 2019 or 2018.

(2) On July 30, 2015, the Company sold its real estate investment in its office building located at 2 Gannett Drive in South Portland, Maine to WPME001, LLC a Maine limited liability company, for $25,800,000. Concurrently, the Company leased back the 2 Gannett Drive in South Portland, Maine office building under a 12 year lease agreement with four optional 5-year renewal periods. In accordance with statutory accounting principles, the Company accounted for the transaction as a sale-leaseback settled entirely

in cash, and recognized the entire gain directly to special surplus funds. The recognized gain to special surplus funds of $15,466,022 is being amortized to unassigned surplus on a straight-line basis over the 12 year life of the lease. This amount will be reported as a realized capital gain in each year in the statements of revenue and expenses. The amount of realized gain in the statements of revenue and expenses recognized was $1,288,835 and $1,288,835 in 2019 and 2018, respectively.

(3) Not applicable.

(4) The Company did not engage in retail land sales operations during 2019 or 2018.

(5) Not applicable.

K. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2019 or 2018.

L. Restricted Assets

(1) Restricted assets (including pledged)

	1	2	3	4	5	6	7
Restricted Asset Category	**Total Gross (Admitted & Nonadmitted) Restricted from Current Year**	**Total Gross (Admitted & Nonadmitted) Restricted from Prior Year**	**Increase/ (Decrease) (1 minus 2)**	**Total Current Year Nonadmitted Restricted**	**Total Current Year Admitted Restricted (1 minus 4)**	**Gross Admitted and Nonadmitted Restricted to Total Assets (a)**	**Admitted Restricted to Total Admitted Assets (b)**
a. Subject to contractual obligation for which liability is not shown	$ —	$ —	—	$ —	$ —	0.00%	0.00%
b. Collateral held under security lending agreements	4,083,020	11,915,083	(7,832,063)	—	$ 4,083,020	0.78%	0.82%
c. Subject to repurchase agreements	—	—	—	—	$ —	0.00%	0.00%
d. Subject to reverse repurchase agreements	—	—	—	—	$ —	0.00%	0.00%
e. Subject to dollar repurchase agreements	—	—	—	—	$ —	0.00%	0.00%
f. Subject to dollar reverse repurchase agreements	—	—	—	—	$ —	0.00%	0.00%
g. Placed under option contracts	—	—	—	—	$ —	0.00%	0.00%
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock	—	—	—	—	$ —	0.00%	0.00%
i. FHLB capital stock	—	—	—	—	$ —	0.00%	0.00%
j. On deposit with states	702,509	725,560	(23,051)	—	$ 702,509	0.13%	0.14%
k. On deposit with other regulatory bodies	—	—	—	—	$ —	0.00%	0.00%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	$ —	0.00%	0.00%
m. Pledged as collateral not captured in other categories	—	—	—	—	$ —	0.00%	0.00%
n. Other restricted assets	—	—	—	—	$ —	0.00%	0.00%
o. Total Restricted Assets	$ 4,785,529	$ 12,640,643	$(7,855,114)	$ —	$ 4,785,529	0.91%	0.96%

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

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

(2) Not applicable.
(3) Not applicable.
(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1 Book/ Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted*)	4 % of BACV to Total Admitted Assets **
a. Cash	$ —	$ —	—%	—%
b. Schedule D, Part 1	—	—	—	—
c. Schedule D, Part 2 Section 1	—	—	—	—
d. Schedule D, Part 2 Section 2	—	—	—	—
e. Schedule B	—	—	—	—
f. Schedule A	—	—	—	—
g. Schedule BA, Part 1	—	—	—	—
h. Schedule DL, Part 1	4,083,020	4,110,043	0.78	0.82
i. Other	—	—	—	—
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	$ 4,083,020	$ 4,110,043	0.78%	0.82%

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

	1 Amount	2 % of Liability to Total Liabilities *
k. Recognized Obligation to Return Collateral Asset	$ 4,083,020	1.272%

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

M. Working Capital Finance Investments

The Company did not have any working capital finance investments at December 31, 2019 and 2018.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2019 and 2018.

O. 5GI Securities

The Company has no 5GI Securities as of December 31, 2019 and 2018.

P. Short Sales

The Company did not have any short sales at December 31, 2019 and 2018.

Q. Prepayment Penalty and Acceleration Fees

	General Account
(1) Number of CUSIPs	5
(2) Aggregate Amount of Investment Income	$ 40,049

6. Joint Ventures, Partnerships and Limited Liability Companies

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

B. Not applicable.

7. Investment Income

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

B. At December 31, 2019 and 2018 there was no nonadmitted accrued investment income.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

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

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

		12/31/2019		
		(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a)	Gross Deferred Tax Assets	$ 8,325,826	$ 24,010	$ 8,349,836
(b)	Statutory Valuation Allowance Adjustments	—	—	—
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	8,325,826	24,010	8,349,836
(d)	Deferred Tax Assets Nonadmitted	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	8,325,826	24,010	8,349,836
(f)	Deferred Tax Liabilities	9,414,479	—	9,414,479
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$ (1,088,653)	$ 24,010	$ (1,064,643)

		12/31/2018		
		(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a)	Gross Deferred Tax Assets	$ 21,652,248	$ —	$ 21,652,248
(b)	Statutory Valuation Allowance Adjustments	—	—	—
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	21,652,248	—	21,652,248
(d)	Deferred Tax Assets Nonadmitted	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	21,652,248	—	21,652,248
(f)	Deferred Tax Liabilities	16,022,815	27,307	16,050,122
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$ 5,629,433	$ (27,307)	$ 5,602,126

		Change		
		(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a)	Gross Deferred Tax Assets	$(13,326,422)	$ 24,010	$ (13,302,412)
(b)	Statutory Valuation Allowance Adjustments	—	—	—
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	(13,326,422)	24,010	(13,302,412)
(d)	Deferred Tax Assets Nonadmitted	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	(13,326,422)	24,010	(13,302,412)
(f)	Deferred Tax Liabilities	(6,608,336)	(27,307)	(6,635,643)
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$ (6,718,086)	$ 51,317	$ (6,666,769)

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

		12/31/2019		
		(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
	Admission Calculation Components SSAP No. 101			
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	$ 7,572,821	$ 20,580	$ 7,593,401
(b)	Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	28,821	—	28,821
	1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	28,821	—	28,821
	2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	26,808,829
(c)	Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	724,184	3,430	727,614
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$ 8,325,826	$ 24,010	$ 8,349,836

		12/31/2018		
		(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
	Admission Calculation Components SSAP No. 101			
(a)	Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	$ 10,426,269	$ —	$ 10,426,269
(b)	Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	8,949,488	—	8,949,488
	1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	8,949,488	—	8,949,488
	2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	17,168,437
(c)	Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	2,276,491	—	2,276,491
(d)	Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$ 21,652,248	$ —	$ 21,652,248

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	$ (2,853,448)	$ 20,580	$ (2,832,868)
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	(8,920,667)	—	(8,920,667)
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	(8,920,667)	—	(8,920,667)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	9,640,392
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	(1,552,307)	3,430	(1,548,877)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$(13,326,422)	$ 24,010	$(13,302,412)

(3)

	2019	2018
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	696.72%	530.39%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	$ 178,725,531	$ 114,456,247

(4)

	12/31/2019		12/31/2018		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Ordinary	(6) (Col 2-4) Capital
Impact of Tax-Planning Strategies						
(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
1. Adjusted Gross DTAs Amount From Note 9A1(c)	$8,325,826	$ 24,010	$ 21,652,248	$ —	$(13,326,422)	$ 24,010
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	$8,325,826	$ 24,010	$ 21,652,248	$ —	$(13,326,422)	$ 24,010
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

B. The Company has no unrecognized deferred tax liabilities at December 31, 2019 and 2018.

NOTES TO FINANCIAL STATEMENTS

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

	(1) 12/31/2019	(2) 12/31/2018	(3) (Col 1-2) Change
(1) Current Income Tax			
(a) Federal	$ 23,381,209	$ (1,619,241)	$ 25,000,450
(b) Foreign	—	—	—
(c) Subtotal	23,381,209	(1,619,241)	25,000,450
(d) Federal income tax expense on net capital gains	40,210	148,954	(108,744)
(e) Utilization of capital loss carry-forwards	—	(15,944)	15,944
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	$ 23,421,419	$ (1,486,231)	$ 24,907,650
(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	$ 150,059	$ 39,173	$ 110,886
(2) Unearned premium reserve	488,923	452,504	36,419
(3) Policyholder reserves	448,315	890,374	(442,059)
(4) Investments	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	711,168	722,109	(10,941)
(8) Compensation and benefits accrual	121,970	107,861	14,109
(9) Pension accrual	—	—	—
(10) Receivables - nonadmitted	4,506,912	15,573,258	(11,066,346)
(11) Net operating loss carry-forward	—	—	—
(12) Tax credit carry-forward	—	—	—
(13) Other (including items <5% of total ordinary tax assets)	3,049	—	3,049
(14) Accrued future expenses	1,895,430	1,483,935	411,495
(15) Amortization	—	27,057	(27,057)
(16) Partnership income	—	—	—
(17) Premium deficiency reserves	—	33,580	(33,580)
(18) Prepaid expenses	—	—	—
(19) Section 467 lease expense	—	—	—
(20) Personal property tax accrual	—	—	—
(21) Deferred gain on sale of building	—	2,322,397	(2,322,397)
(22) State income tax liability	—	—	—
(23) Income from reinsurance contract	—	—	—
(24) Revenue agent's report adjustment	—	—	—
(99) Subtotal	8,325,826	21,652,248	(13,326,422)
(b) Statutory valuation allowance adjustment	—	—	—
(c) Nonadmitted	—	—	—
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	8,325,826	21,652,248	(13,326,422)
(e) Capital:			
(1) Investments	24,010	—	24,010
(2) Net capital loss carry-forward	—	—	—
(3) Real estate	—	—	—
(4) Other (including items <5% of total capital tax assets)	—	—	—
(5) Partnership investment	—	—	—
(6) State low income housing credits	—	—	—
(7) Affiliated investment write-down	—	—	—
(99) Subtotal	24,010	—	24,010
(f) Statutory valuation allowance adjustment	—	—	—
(g) Nonadmitted	—	—	—
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	24,010	—	24,010
(i) Admitted deferred tax assets (2d + 2h)	$ 8,349,836	$ 21,652,248	$ (13,302,412)

	(1) 12/31/2019	(2) 12/31/2018	(3) (Col 1-2) Change
(3) Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	$ —	$ —	$ —
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholder reserves	—	—	—
(5) Other (including items <5% of total ordinary tax liabilities)	36,039	39,282	(3,243)
(6) Amortization	—	—	—
(7) Discount of coordination of benefits	5,377	4,968	409
(8) Guaranty fund assessment	—	—	—
(9) Business partnership	—	—	—
(10) Tax reserves per Tax Reform over 8 years	—	—	—
(11) Oil and gas depletion deduction	—	—	—
(12) Deferred cost - surplus note	—	—	—
(13) Prepaid expenses	9,373,063	15,978,565	(6,605,502)
(99) Subtotal	9,414,479	16,022,815	(6,608,336)
(b) Capital:			
(1) Investments	—	27,307	(27,307)
(2) Real estate	—	—	—
(3) Other (including items <5% of total capital tax liabilities)	—	—	—
(4) Section 166 partial worthlessness	—	—	—
(5) Investment partnership income	—	—	—
(99) Subtotal	—	27,307	(27,307)
(c) Deferred tax liabilities (3a99 + 3b99)	$ 9,414,479	$ 16,050,122	$ (6,635,643)
(4) Net deferred tax assets/liabilities (2i - 3c)	$ (1,064,643)	$ 5,602,126	$ (6,666,769)

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

	2019	2018
Tax expense computed using federal statutory rate	$ 20,035,501	$ 12,002,666
ACA health insurer fee	—	3,864,828
Change in nonadmitted assets	11,182,730	(13,313,192)
Tax exempt income and dividend received deduction net of proration	(158,986)	(175,330)
Prior year true-up and adjustments	2,089,551	(5,780,574)
Tax settlements and contingencies	(3,089,516)	6,003,920
Other, net	31,861	25,208
Total	$ 30,091,141	$ 2,627,526
Federal income taxes incurred	$ 23,421,419	$ (1,486,231)
Change in net deferred income taxes	6,669,722	4,113,757
Total statutory income taxes	$ 30,091,141	$ 2,627,526

E. Operating loss carryforwards:

(1) The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2019 or 2018.

(2) The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
2019	$ 26,966,078	$ 40,210	$ 27,006,288
2018	6,381,404	148,954	6,530,358
2017	N/A	609,916	609,916

(3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2019 and 2018.

F. The following companies will be included in the consolidated federal income tax return with their parent Anthem, Inc. ("Anthem") as of December 31, 2019 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

American Imaging Management, Inc.
America's 1st Choice of South Carolina, Inc.
America's Health Management Services, Inc.
AMERIGROUP Community Care of New Mexico, Inc.
AMERIGROUP Corporation
Amerigroup Delaware, Inc.
AMERIGROUP District of Columbia, Inc.
Amerigroup Health Plan of Louisiana, Inc.
Amerigroup Health Plan of Oregon, Inc.
Amerigroup Insurance Company
AMERIGROUP Iowa, Inc.
Amerigroup Kansas, Inc.
AMERIGROUP Maryland, Inc.
Amerigroup Michigan, Inc.
AMERIGROUP Mississippi, Inc.
AMERIGROUP New Jersey, Inc.
AMERIGROUP Ohio, Inc.
AMERIGROUP Oklahoma, Inc.
Amerigroup Pennsylvania, Inc.
AMERIGROUP Tennessee, Inc.
AMERIGROUP Texas, Inc.
Amerigroup Utah, Inc.
AMERIGROUP Washington, Inc.
AMGP Georgia Managed Care Company, Inc.
Anthem Blue Cross Life and Health Insurance Company
Anthem Financial, Inc.
Anthem Health Plans of Kentucky, Inc.
Anthem Health Plans of Maine, Inc.
Anthem Health Plans of New Hampshire, Inc.
Anthem Health Plans of Virginia, Inc.
Anthem Health Plans, Inc.
Anthem Holding Corp.
Anthem Insurance Companies, Inc.
Anthem Kentucky Managed Care Plan, Inc.
Anthem Life & Disability Insurance Company
Anthem Southeast, Inc.
Anthem UM Services, Inc.
Anthem, Inc.
Arcus Enterprises, Inc.
Aspire Health, Inc.
Associated Group, Inc.
Blue Cross and Blue Shield of Georgia, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.
Blue Cross Blue Shield of Wisconsin
Blue Cross of California
DeCare Analytics, LLC
DeCare Dental Health International, LLC
DeCare Dental Networks, LLC
DeCare Dental, LLC
Designated Agent Company, Inc.
EHC Benefits Agency, Inc.
Empire HealthChoice Assurance, Inc.
Empire HealthChoice HMO, Inc.
Federal Government Solutions, LLC
Freedom Health, Inc.
Golden West Health Plan, Inc.
Greater Georgia Life Insurance Company
Health Core, Inc.
Health Management Corporation
HealthKeepers, Inc.
HealthLink HMO, Inc.
HealthLink, Inc.
HealthLink Insurance Company
HealthPlus HP, LLC
Healthy Alliance Life Insurance Company
HEP AP Holdings, Inc.
Highland Holdco, Inc.
HMO Colorado, Inc.
HMO Missouri, Inc.
Imaging Management Holdings, LLC
IngenioRx, Inc.
Legato Holdings I, Inc.
Living Complete Technologies, Inc.
Matthew Thornton Health Plan, Inc.
Nash Holding Company, LLC
National Government Services, Inc.
New England Research Institutes, Inc.
Optimum Healthcare, Inc.
Park Square Holdings, Inc.
Park Square I, Inc.
Park Square II, Inc.
Resolution Health, Inc.
RightCHOICE Managed Care, Inc.
Rocky Mountain Hospital and Medical Service, Inc.
SellCore, Inc.
Simply Healthcare Plans, Inc.
Southeast Services, Inc.
State Sponsored Services, Inc.
The Anthem Companies of California, Inc.
The Anthem Companies, Inc.

Blue Cross of California Partnership Plan, Inc.
CareMarket, Inc.
CareMore Health Plan
CareMore Health Plan of Arizona, Inc.
CareMore Health Plan of Nevada
CareMore Health Plan of Texas, Inc.
CareMore Health System
Cerulean Companies, Inc.
Claim Management Services, Inc.
Community Care Health Plan of Louisiana, Inc.
Community Care Health Plan of Nevada, Inc.
Community Insurance Company
Compcare Health Services Insurance Corporation
Crossroads Acquisition Corp
DBG Holdings, Inc. (fka Newco Holdings, Inc.)
TrustSolutions, LLC
UNICARE Health Plan of West Virginia, Inc.
UNICARE Illinois Services, Inc.
UNICARE Life & Health Insurance Company
UNICARE National Services, Inc.
UNICARE Specialty Services, Inc.
Valus, Inc.
WellPoint Behavioral Health, Inc.
WellPoint California Services, Inc.
WellPoint Dental Services, Inc.
WellPoint Health Solutions, Inc.
WellPoint Holding Corporation
WellPoint Information Technology Services, Inc.
WellPoint Insurance Services, Inc.
WellPoint Military Care Corporation

G. The Company had a tax loss contingency related to the 2017 consolidated tax return recorded in 2018 and released in 2019. For the years ended December 31, 2018 and 2019, we recognized net interest expense of $478,743 and $79,620, respectively that is netted with current federal income tax. We had accrued $478,743 and $558,363 for the payment of interest at December 31, 2018 and 2019.

H. Repatriation Transition Tax (RTT)

Not applicable.

I. Alternative Minimum Tax (AMT) Credit

Not applicable.

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

A. Nature of the Relationship

The Company is a Maine domiciled stock insurance company and is a wholly-owned subsidiary of ATH Holding Company, LLC ("ATH Holding"), which is a wholly-owned subsidiary of Anthem, a publicly traded company.

B. Significant Transactions for Each Period

The following significant transactions took place between the Company and its affiliates:

The Board of Directors of the Company declared an ordinary dividend in the amount of $58,600,000 on December 13, 2019. The Company paid the dividend to its parent company, ATH Holding, on December 26, 2019.

The Board of Directors of the Company declared an ordinary dividend in the amount of $37,000,000 on December 8, 2018. The Company paid the dividend to its parent company, ATH Holding, on December 26, 2018.

C. Intercompany Management and Service Arrangements

The Company became party to the Fair Market Value ("FMV") Services Attachment discussed in Note 10F. There were no additional arrangements entered into as of December 31, 2019.

D. Amounts Due to or from Related Parties

At December 31, 2019 and 2018, the Company reported no amounts due from affiliates. At December 31, 2019 and 2018, the Company reported $8,466,157 and $105,320,853 due to affiliates, respectively. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

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

	2019	2018
The Anthem Companies Inc.		
Payroll and Employee Administrative Services	$ 55,696,331	$ 47,667,517
Anthem, Inc.		
Federal Income Tax Payments	19,662,295	(60,176)
Corporate Services	27,896,492	25,304,260
ACA Fee Assessment	—	18,403,944
Information Technology Services	9,017,442	7,079,505
Anthem Insurance Companies, Inc.		
Information Technology Services	1,021	831
Corporate/Shared Services	136,480	185,449
WellPoint Information Technology Services, Inc.		
Information Technology Services	4,689,112	3,391,549
Corporate Services	3,731	3,227
Blue Cross of California		
Corporate Services	(26,436)	150,525
Information Technology Services	(398)	2,104
Anthem Health Plans, Inc.		
Claims Processing	122,279	228,552
Corporate Services	(35,386)	33,951
Anthem Health Plans of New Hampshire, Inc.		
Customer Service	—	552
Corporate Services	3,364	15,722
Anthem Health Plans of Virginia, Inc.		
Information Technology Services	13,624	17,832
Corporate Services	33,244	52,329
Costs allocated from various affiliates not listed above	1,779,900	1,239,043
Total Schedule Y, Part 2, Column 8	$ 118,993,095	$ 103,716,716

E. Guarantees or Contingencies for Related Parties

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

F. Management and Service Contracts and Cost Sharing Arrangements

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

In addition, the Company is party to the FMV Services Attachment, starting January 1, 2019, the costs and expenses related to certain care management and other services are allocated to or allocated by the Company in an amount equal to the fair market value of the services provided. These costs are allocated based on various utilization statistics.

The Company is party to a cash concentration agreement with its affiliated companies. Under this agreement, any of the Company's affiliates may be designated as a cash manager to handle the collection and/or payment of funds on behalf of the Company. Conversely, the Company may be designated as a cash manager to handle the collection and/or payment of funds on behalf of its affiliates. Cash services covered under this agreement include the collection of premiums and other revenue, the collection of benefit and administrative expense reimbursements, the payment of policy benefits, payroll expense, general and administrative expense, and accounts payable disbursements.

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

ATH Holding owns all outstanding shares of the Company. The Company's ultimate parent is Anthem.

H. Amount Deducted for Investment in Upstream Company

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

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

At December 31, 2019 and 2018, the Company did not have investments in affiliates.

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

Not applicable.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investment in Downstream Non-insurance Holding Companies

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

M. All SCA Investments

The Company has no SCA Investments.

N. Investment in Insurance SCAs

The Company does not have investments in Insurance SCAs.

O. SCA or SSAP 48 Entity Loss Tracking

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

11. Debt

A. Capital Notes and Other Debt

The Company had no capital notes or other debt outstanding at December 31, 2019 and 2018.

B. FHLB (Federal Home Loan Bank) Agreements

The Company had no FHLB agreements outstanding at December 31, 2019 and 2018.

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

A. Defined Benefit Plan

Not applicable - See Note 12G.

B. Not applicable - See Note 12G.

C. Not applicable - See Note 12G.

D. Not applicable - See Note 12G.

E. Defined Contribution Plans

Not applicable - See Note 12G.

F. Multiemployer Plans

The Company does not participate in a multiemployer plan.

G. Consolidated/Holding Company Plans

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

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

The Company participates in a nonqualified deferred compensation plan sponsored by Anthem which covers certain employees once the participant reaches the maximum contribution amount for the Anthem 401(k) Plan (the "401(k) Plan"). The deferred amounts are payable according to the terms and subject to the conditions of the deferred compensation plan. Anthem allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees subject to the deferred compensation plan. The Company has no legal obligation for benefits under this plan.

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

During 2019 and 2018, the Company was allocated the following costs or (credits) for these retirement benefits:

	2019	2018
Defined benefit pension plan	$ (333,827)	$ (252,743)
Postretirement medical benefit plan	(42,184)	(40,963)
Deferred compensation plan	30,727	29,071
Defined contribution plan	1,232,713	1,011,324

H. Post Employment Benefits and Compensated Absences

Not applicable

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

Not applicable.

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

(1) Outstanding Shares

As of December 31, 2019, the Company has 2,500 shares of $1,000 par value common stock authorized, issued and outstanding.

(2) Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

Under Maine law, the Company is limited in the amount of dividends that can be declared without regulatory approval. The Superintendent of Insurance must approve any dividend that, together with all dividends declared during the preceding twelve months, exceeds the greater of the net gain from operations for the twelve-month period ending December 31 of the preceding year or 10% of the Company's surplus to policyholders as of December 31 of the preceding year as long as unassigned surplus is positive. Also, any dividend paid from other than unassigned funds will need the approval of the Superintendent of Insurance.

(4) Dividends Paid

See Footnote 10B.

(5) Maximum Ordinary Dividend During 2020

Within the limitations of (3) above, the Company may pay $71,985,728 in ordinary dividends during 2020 without restrictions, other than state notification requirements.

(6) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2019.

(7) Mutual Surplus Advances

Not applicable.

(8) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2019.

(9) Changes in Special Surplus Funds

The change in balances of special surplus funds from the prior year are due to changes in the amounts segregated for the estimated Affordable Care Act ("ACA") health insurer fee to be paid in the subsequent year as well as the deferred gain on the Company's sale-leaseback transaction. The annual fee under section 9010 of the ACA was suspended for 2019, therefore no surplus was segregated as of December 31, 2018.

(10) Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized gains and losses was ($404,659) at December 31, 2019.

(11) Surplus Notes

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

(12) Restatement due to Prior Quasi-reorganizations

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

(13) Quasi-reorganizations over Prior 10 Years

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

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company had no contingent commitments at December 31, 2019 or 2018.

B. Assessments

(1) The Company is subject to guaranty fund and other assessments by the state in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued either at the time of the assessment or at the time the losses are incurred.

(2) Guaranty Fund Assets Recognized Reconciliation

a. Guaranty fund assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	$	220,481
b. Decreases current year:		
Policy surcharges collected		—
Policy surcharges charged off		—
Premium tax offset applied		33,429
c. Increases current year:		
Policy surcharges recognized		—
Premium tax offset recognized		—
d. Guaranty fund assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	$	187,052

(3) Guaranty Fund Liabilities and Assets Related to Insolvencies of Entities That Wrote Long-Term Care Contracts

a. Discount Rate Applied 3.5%

b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency:

	Guaranty Fund Assessment		Related Assets	
Name of the Insolvency	**Undiscounted**	**Discounted**	**Undiscounted**	**Discounted**
Penn Treaty Network America Insurance Company and its subsidiary, American Network Insurance Company (collectively "Penn Treaty")	$ 272,124	$ 189,026	$ 233,837	$ 187,052

c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency:

	Payables			Recoverables		
Name of the Insolvency	**Number of Jurisdictions**	**Range of Years**	**Weighted Average Number of Years**	**Number of Jurisdictions**	**Range of Years**	**Weighted Average Number of Years**
Penn Treaty	1	1-18	10	1	1-24	8.0

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2019 or 2018.

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

Not applicable.

E. Joint and Several Liabilities

Not applicable.

F. All Other Contingencies

Guaranty fund assessments

The National Organization of Life & Health Insurance Guaranty Associations, or NOLHGA, is a voluntary organization consisting of the state life and health insurance guaranty associations located throughout the U.S. Such associations, working together with NOLHGA, provide a safety net for their state's policyholders, ensuring that they continue to receive coverage, subject to state maximum limits, even if their insurer is declared insolvent. In March 2017, long term care insurance writers Penn Treaty Network America Insurance Company and its subsidiary American Network Insurance Company, (collectively "Penn Treaty"), were ordered to be liquidated by the Pennsylvania state court, which had jurisdiction over the Penn Treaty rehabilitation proceeding. The Company and other insurers will be obligated to pay a portion of their policyholder claims through state guaranty association assessments in future periods. Payment of the assessments will be largely recovered through premium tax credits over future years.

Litigation and regulatory proceedings

Blue Cross Blue Shield Antitrust Litigation

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

In response to cross motions for partial summary judgment by plaintiffs and defendants, the Court issued an order in April 2018 determining that the defendants' aggregation of geographic market allocations and output restrictions are to be analyzed under a per se standard of review, and the BlueCard program and other alleged Section 1 Sherman Act violations are to be analyzed under the rule of reason standard of review. The Court also found that there remain genuine issues of material fact as to whether defendants operate as a single entity with regard to the enforcement of the Blue Cross Blue Shield trademarks. No dates have been set for either the final pretrial conferences or trials in these actions. In March 2019, the Court issued a Fourth Amended Scheduling Order requiring that briefing on motions for class certification and related expert reports, merits and damages expert reports, and certain dispositive motions occur in 2019. In April 2019, plaintiffs' filed their motions to exclude plaintiffs' experts, as well as their opposition to plaintiffs' motions for class certification, in July 2019. The case has been stayed until further notice from the Court. Anthem intends to vigorously defend these suits; however, their ultimate outcome cannot be presently determined.

Express Scripts, Inc. Pharmacy Benefit Management Litigation

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

Express Scripts has disputed the contractual claims and is seeking declaratory judgments: (i) regarding the timing of the periodic pricing review under the ESI PBM Agreement; and (ii) that it has no obligation to ensure that Anthem receives any specific level of pricing, that Anthem has no contractual right to any change in pricing under the ESI PBM Agreement and that its sole obligation is to negotiate proposed pricing terms in good faith. In the alternative, Express Scripts claims that Anthem has been unjustly enriched by its payment of $4,675,000,000 at the time Anthem entered into the ESI PBM Agreement. In March 2017, the court granted the motion to dismiss Express Scripts' counterclaims for (i) breach of the implied covenant of good faith and fair dealing, and (ii) unjust enrichment with prejudice. The only remaining claims are for breach of contract and declaratory relief. Fact discovery has been completed. Anthem intends to vigorously pursue the claims and defend against

any counterclaims, which Anthem believes are without merit; however, the ultimate outcome cannot be presently determined.

In re Express Scripts/Anthem ERISA Litigation

Anthem is a defendant in a class action lawsuit that was initially filed in June 2016 against Anthem, Inc. and Express Scripts, which has been consolidated into a single multi-district lawsuit captioned *In Re Express Scripts/Anthem ERISA Litigation,* in the U.S. District Court for the Southern District of New York. The consolidated complaint was filed by plaintiffs against Express Scripts and Anthem on behalf of all persons who are participants in or beneficiaries of any ERISA or non-ERISA healthcare plan from December 1, 2009 to December 31, 2019 in which Anthem provided prescription drug benefits through the ESI PBM Agreement and paid a percentage based co-insurance payment in the course of using that prescription drug benefit. The plaintiffs allege that Anthem breached its duties, either under ERISA or with respect to the implied covenant of good faith and fair dealing implied in the health plans, (i) by failing to adequately monitor Express Scripts' pricing under the PBM Agreement and (ii) by placing Anthem's own pecuniary interest above the best interests of Anthem's insureds by allegedly agreeing to higher pricing in the ESI PBM Agreement in exchange for the purchase price for its NextRx PBM business, and (iii) with respect to the non-ERISA members, by negotiating and entering into the ESI PBM Agreement that was allegedly detrimental to the interests of such non-ERISA members. Plaintiffs seek to hold Anthem and Express Scripts jointly and severally liable and to recover all losses suffered by the proposed class, equitable relief, disgorgement of alleged ill-gotten gains, injunctive relief, attorney's fees and costs and interest.

In April 2017, Anthem filed a motion to dismiss the claims brought against Anthem, and it was granted, without prejudice, in January 2018. Plaintiffs filed a notice of appeal with the United States Court of Appeals for the Second Circuit, which was heard in October 2018 but has not yet been decided. Anthem intends to vigorously defend this suit; however, its ultimate outcome cannot be presently determined.

Cigna Corporation Merger Litigation

In July 2015, Anthem and Cigna Corporation, or Cigna, announced that Anthem entered into the Agreement and Plan of Merger, or Cigna Merger Agreement, pursuant to which Anthem would acquire all outstanding shares of Cigna. In July 2016, the U.S. Department of Justice, or DOJ, along with certain state attorneys general, filed a civil antitrust lawsuit in the U.S.District Court for the District of Columbia, or District Court, seeking to block the merger. In February 2017, Cigna purported to terminate the Cigna Merger Agreement and commenced litigation against Anthem in the Delaware Court of Chancery, or Delaware Court, seeking damages, including the $1,850,000,000 termination fee pursuant to the terms of the Cigna Merger Agreement, and a declaratory judgment that its purported termination of the Cigna Merger Agreement was lawful, among other claims, which is captioned *Cigna Corp. v. Anthem Inc.*

Also in February 2017, Anthem initiated their own litigation against Cigna in the Delaware Court seeking a temporary restraining order to enjoin Cigna from terminating the Cigna Merger Agreement, specific performance compelling Cigna to comply with the Cigna Merger Agreement and damages, which is captioned Anthem Inc. v. Cigna Corp. In April 2017, the U.S. Circuit Court of Appeals for the District of Columbia affirmed the ruling of the District Court, which blocked the merger. In May 2017, after the Delaware Court denied Anthem's motion to enjoin Cigna from terminating the Cigna Merger Agreement, Anthem delivered to Cigna a notice terminating the Cigna Merger Agreement.

In the Delaware Court litigation, trial commenced in late February 2019 and concluded in March 2019. The Delaware Court held closing argument on November 25, 2019 and took the matter under consideration. In February 2020, the Court requested supplemental briefing. The parties have been instructed to negotiate a schedule for the supplemental submissions. Anthem believes Cigna's allegations are without merit and they intend to vigorously pursue

their claims and defend against Cigna's allegations; however, the ultimate outcome of Anthem's litigation with Cigna cannot be presently determined.

In October 2018, a shareholder filed a derivative lawsuit in Marion County Superior Court, captioned *Henry Bittmann, Derivatively, et al. v. Joseph R Swedish, et al.*, on behalf of Anthem and its shareholders against certain current and former directors and executives alleging breaches of fiduciary duties, unjust enrichment and corporate waste associated with the Cigna Merger Agreement. Anthem intends to vigorously defend this lawsuit; however, its ultimate outcome cannot be presently determined.

Cyber Attack Regulatory Proceedings and Litigation

In February 2015, Anthem reported that it was the target of a sophisticated external cyber attack, during which the attackers gained unauthorized access to certain of its information technology systems and obtained personal information related to many individuals and employees. To date, there is no evidence that credit card or medical information was accessed or obtained.

Upon discovery of the cyber attack, Anthem took immediate action to remediate the security vulnerability and have continued to implement security enhancements since this incident.

Federal and state agencies are investigating, or have investigated, events related to the cyber attack, including how it occurred, its consequences and its responses. The investigations have all been resolved with the exception of an ongoing investigation by a multi-state group of attorneys general, which remains outstanding. Although Anthem is cooperating in this investigation, Anthem may be subject to additional fines or other obligations. Anthem intends to vigorously defend the remaining regulatory investigation; however, its ultimate outcome cannot be presently determined.

Anthem has contingency plans and insurance coverage for certain expenses and potential liabilities of this nature and will pursue coverage for all applicable losses; however, the ultimate outcome of our pursuit of insurance coverage cannot be presently determined.

Other contingencies

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

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

Provisions for uncollectible amounts

At December 31, 2019 and 2018, the Company reported admitted assets of $122,484,679 and $117,301,050, respectively, in premium receivables and receivables due from uninsured plans. Based upon Company experience, any uncollectible receivables are not expected to exceed $10,967,252 that was nonadmitted at December 31, 2019; therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases

A. Lessee Operating Lease

(1) The Company leases office space, office equipment, EDP equipment, and software under various noncancelable operating leases. Certain leases have the right to renew. There are no escalation clauses for any lease. Related lease expense for 2019 and 2018 was $1,752,596 and $1,656,350, respectively.

(2) At December 31, 2019, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2020	$ 1,837,660
2.	2021	1,837,660
3.	2022	1,837,660
4.	2023	1,837,660
5.	2024	1,837,660
6.	Total	$ 9,188,300

(3)
a. During 2015, the Company entered into a sale-leaseback transaction with an unaffiliated entity to lease the South Portland, Maine building for 12 years.
b. Not applicable.

B. Lessor Leases

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

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

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

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2019, 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, 2019 and 2018.

B. Transfer and Servicing of Financial Assets

(1) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers. At December 31, 2019 the fair value of securities loaned was $3,990.337 and the carrying value of securities loaned was $3,828,207.

(2) - (7) Not applicable.

C. Wash Sales

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

(2) At December 31, 2019 and 2018, 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 ("ASO") Plans

The gain or (loss) from operations from ASO uninsured plans and the uninsured portion of partially insured plans during 2019 was:

		ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a.	Net reimbursement for administrative expenses (including administrative fees) in excess of (less than) actual expenses	$ 35,152	$ —	$ 35,152
b.	Total net other income or expenses (including interest paid to or received from plans)	—	—	—
c.	Net gain or (loss) from operations	$ 35,152	$ —	$ 35,152
d.	Total claim payment volume	$ 23,279,730	$ —	$ 23,279,730

B. Administrative Services Contract ("ASC") Plans

The gain or (loss) from operations from ASC uninsured plans and the uninsured portion of partially insured plans during 2019 was:

		ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a.	Gross reimbursement for medical cost incurred	$ 531,081,420	$ —	$ 531,081,420
b.	Gross administrative fees accrued	35,642,685	—	35,642,685
c.	Other income or expenses (including interest paid to or received from plans)	—	—	—
d.	Gross expenses incurred (claims and administrative)	565,922,186	—	565,922,186
e.	Total gain or (loss) from operations	$ 801,919	$ —	$ 801,919

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

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

(2)

Receivable from	Related to	2019	2018
Centers for Medicare and Medicaid Services	Cost share and reinsurance components of administered Medicare products	$ 54,267	$ 51,342
U.S. Department of Health and Human Services	Cost share and reinsurance components of administered commercial ACA products	$ —	$ —
Uninsured plans	Uninsured business, not including pharmaceutical rebate receivables	$ 52,835,104	$ 60,014,010

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

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

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2019 and 2018.

20. Fair Value Measurements

A.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
Industrial and misc	$ —	$ 2,362,287	$ —	$ —	$ 2,362,287
Total bonds	$ —	$ 2,362,287	$ —	$ —	$ 2,362,287
Total assets at fair value/NAV	$ —	$ 2,362,287	$ —	$ —	$ 2,362,287

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

There are no investments in Level 3 as of December 31, 2019 and 2018.

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

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

to determine fair values. In addition, the Company periodically reviews the pricing services' pricing methodologies, data sources and pricing inputs to ensure the fair values obtained are reasonable.

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

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

B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2019 and 2018.

C. Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	$ 263,549,837	$ 257,013,393	$ —	$ 261,900,060	$ 1,649,777	$ —	$ —
Cash equivalents	998,050	998,050	—	998,050	—	—	—
Short-term investments	1,494,308	1,494,308	—	1,494,308	—	—	—
Securities lending collateral asset	4,110,043	4,083,020	—	4,110,043	—	—	—

D. Not Practicable to Estimate Fair Value

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

E. Investments Measured at Net Asset Value

The Company has no investments measured at net asset value.

21. Other Items

A. Unusual or Infrequent Items

Not applicable at December 31, 2019 and 2018.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2019 and 2018.

C. Other Disclosures

Land is recorded at cost and other real estate is recorded at cost less accumulated depreciation. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the assets. Real estate was not adjusted to market value at the date of purchase.

Assets in the amount of $702,509 and $725,560 at December 31, 2019 and 2018, respectively, were on deposit with government authorities or trustees as required by law.

Effective July 12, 2019, the Company sold their interest in BCS Plans Liability Insurance Company (“BCS Plans”) to BCS Financial Corporation. The Company recognized $120,000 for impairment write downs related to its investment in BCS Plans at December 31, 2018.

The Company participates in the Federal Employee Health Benefits Program ("FEHBP") with other Blue Cross Blue Shield Plans. This program includes a fully-insured experience-rated contract, commonly known as the FEP, between the OPM and BCBSA, which acts as an agent for the participating Blue Cross Blue Shield plans. In addition, each participating plan, including the Company, executes a contract with BCBSA which obligates each participating plan to underwrite FEP benefits in its service area.

FEP premium is earned when chargeable benefit costs, allowable expenses or retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the OPM, when the claims are ultimately paid.Premium rates are developed by BCBSA and negotiated with OPM annually. These rates determine the funds that will be available to the participating Blue Cross Blue Shield plans to provide insurance to Federal employees that enroll with the Blue Cross Blue Shield FEP. The excess of gross premiums for the life of the program over the charges for the life of the program on an accrual basis is accounted for as a rate stabilization reserve (commonly referred to as the special reserve), as required by the contract between OPM and BCBSA. Each year, OPM also allocates a portion of the premiums to a contingency reserve, which may be utilized by the participating plans in the event that annual premiums paid to the insurance carrier are insufficient or the rate stabilization reserve falls below certain levels prescribed by OPM. Premiums paid to the carrier and available to each participating Blue Cross Blue Shield plan, including the special reserve and the contingency reserve, are held at the U.S. Treasury, including amounts unused from prior periods. Any premiums that remain in the rate stabilization reserve upon termination of the BCBSA contract after the claims run-out and reimbursement of allowable administrative expenses would be returned to OPM for the benefit of the FEHBP. The FEP contract renews automatically each year unless written notice of termination is given by either party.

In accordance with the FEP contract, premium funds that exceed daily operating needs are held on behalf of the Company in letter of credit accounts at the U.S. Treasury to provide funding for claims, administrative expenses, and other charges to the contract. The Company, along with other Blue Cross Blue Shield plans who participate in the FEHBP contract, have an unrestricted right to draw funds being held in the U.S. Treasury, other than those allocated to the contingency reserve, for any valid claim or expense. If the balance of the special reserve is exhausted or falls below certain prescribed levels, OPM will transfer funds from the contingency reserve to the special reserve to the extent that funds are available in the contingency reserve. Amounts incurred in excess of the total reserves held at the U.S. Treasury for the FEP would not be reimbursed to the Company.

The Company has recorded its allocable share of the special reserve funds held in the U.S. Treasury as an asset, with an equivalent amount recorded as a rate stabilization reserve. These amounts are $65,232,731 and $61,681,444 as of December 31, 2019 and 2018, respectively, and are included in aggregate write-ins for other than invested assets and in health policy reserves in the accompanying balance sheets.

FEP represented approximately 43.8% and 46.8% of premiums receivable as of December 31, 2019 and 2018, respectively. FEP represented approximately 19.3% and 20.8% of net premiums written for the years ended December 31, 2019 and 2018, respectively.

D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2019 and 2018.

E. State Transferable and Non-Transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2019 and 2018.

F. Subprime Mortgage-Related Risk Exposure

(1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments. The portion of the Company's investment portfolio with subprime mortgage-related risk exposure is relatively small in comparison to the overall investment portfolio, with no exposure to collateralized debt obligations. All mortgage related investments are monitored closely as part of the quarterly investment review performed by the Anthem Investment Impairment Review Committee.

(2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2019 or 2018.

(3) At December 31, 2019, the Company's subprime mortgage-related risk exposure is detailed below:

	Actual Cost	Book/ Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	$ —	$ —	$ —	$ —
b. Commercial mortgage-backed securities	—	—	—	—
c. Collateralized debt obligations	—	—	—	—
d. Structured securities	887,375	887,375	885,503	—
e. Equity investments in SCAs	—	—	—	—
f. Other assets	—	—	—	—
g. Total	$ 887,375	$ 887,375	$ 885,503	$ —

(4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2019 or 2018.

G. Retained Assets

The Company does not have retained assets at December 31, 2019 and 2018.

H. Insurance-Linked Securities Contracts

Not applicable.

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

Not applicable.

22. Events Subsequent

The Company is subject to an annual fee under section 9010 of the ACA. A health insurance company's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The annual fee under section 9010 of the ACA was suspended for 2019 and resumed for 2020.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	Yes	
B. ACA fee assessment payable for the upcoming year	$ 21,388,342	$ —
C. ACA fee assessment paid	$ —	$ 18,403,944
D. Premium written subject to ACA 9010 assessment	$ 1,157,475,640	$ 888,909,511
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	$ 178,725,531	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus Line 22B above).	$ 157,337,189	
G. Authorized Control Level (Five-Year Historical Line 15)	$ 25,652,318	
H. Would reporting the ACA assessment as of December 31, 2019 have triggered an RBC action level (YES/NO)?	No	

Subsequent events have been considered through February 27, 2020 for the statutory statement issued on February 28, 2020. There were no other events occurring subsequent to December 31, 2019 requiring recognition or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

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

Yes ( ) No (X)

If yes, give full details.

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

Yes ( ) No (X)

(3) If yes, give full details.

Section 2 - Ceded Reinsurance Report - Part A

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

Yes ( ) No (X)

If yes, give full details.

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

Yes ( ) No (X)

If yes, give full details.

Section 3 - Ceded Reinsurance Report - Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

$8,428,668

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

Yes ( ) No (X)

If yes, give full details.

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2019 and 2018.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2019 and 2018.

D. Certified Reinsurer Rating Downgraded or Status Subject Revocation

The Company has no downgraded certified reinsurer ratings or status subject to revocations during 2019 and 2018.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

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

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

C. The amount of net premiums written by the Company at December 31, 2019 and 2018 that were subject to retrospective rating features was $1,097,678,318 and $916,411,891, respectively, which represented 92.21% and 92.7%, respectively, of the total net premiums written.

D. In accordance with the NAIC SAP, medical loss ratio rebates in accordance with the Federal 2010 Patient Protection and Affordable Care Act and Public Health Service Act, are to be reported in accordance with SSAP No. 66 - *Retrospectively Rated Contracts* ("SSAP No. 66"). A retrospectively rated contract is one that has the final policy premium calculated based on the loss experience of the insured during the term of the policy (including loss development after the term of the policy) and the stipulated formula set forth in the policy, or in the case of medical loss ratio rebates, a formula required by law. The Company based the incurred and unpaid liability amounts reported below based on its underwriting experience; actuarial, tax, and accounting estimates and assumptions at the financial statement date; as well as regulations and guidance available that is not final and subject to change prior to settlement. Accordingly, the Company's use of estimates and assumptions in the preparation of the statutory based financial statements and related footnote disclosures may differ from actual results. Hence, the amounts reported herein are for financial reporting purposes solely and not intended to be used for settlement purposes.

Medical loss ratio rebates accrued pursuant to the Public Health Service Act are as follows:

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Year Reporting:					
(1) Medical loss ratio rebates incurred	$ —	$ —	$ —	$ —	$ —
(2) Medical loss ratio rebates paid	—	—	—	—	—
(3) Medical loss ratio rebates unpaid	—	—	—	—	—
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	—
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	$ 5,626,053	$ —	$ —	$ —	$ 5,626,053
(8) Medical loss ratio rebates paid	—	—	—	—	—
(9) Medical loss ratio rebates unpaid	5,626,053	—	—	—	5,626,053
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	—
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	—
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$ 5,626,053

NOTES TO FINANCIAL STATEMENTS

E. Risk-Sharing Provisions of the ACA

(1)	Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)?	Yes
(2)	Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a.	Permanent ACA Risk Adjustment Program	
	Assets	
	1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)	$ —
	Liabilities	
	2. Risk adjustment user fees payable for ACA Risk Adjustment	$ 63,203
	3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premiums)	$ 12,445,059
	Operations (Revenue & Expense)	
	4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	$ (6,909,571)
	5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	$ 62,767
b.	Transitional ACA Reinsurance Program	
	Assets	
	1. Amounts recoverable for claims paid due to ACA Reinsurance	$ —
	2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	$ —
	3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	$ —
	Liabilities	
	4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	$ —
	5. Ceded reinsurance premiums payable due to ACA Reinsurance	$ —
	6. Liability for amounts held under uninsured plans contributions for ACA Reinsurance	$ —
	Operations (Revenue & Expense)	
	7. Ceded reinsurance premiums due to ACA Reinsurance	$ —
	8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	$ 10,394
	9. ACA Reinsurance contributions - not reported as ceded premium	$ —
c.	Temporary ACA Risk Corridors Program	
	Assets	
	1. Accrued retrospective premium due to ACA Risk Corridors	$ —
	Liabilities	
	2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	$ —
	Operations (Revenue & Expense)	
	3. Effect of ACA Risk Corridors on net premium income (paid/received)	$ —
	4. Effect of ACA Risk Corridors on change in reserves for rate credits	$ —

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

NOTES TO FINANCIAL STATEMENTS

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

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			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. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high risk pool payments)	$ 2,340,947	$ —	$ 7,900,132	$ —	$ (5,559,185)	$ —	$ 5,559,185	$ —	A	$ —	$ —
2. Premium adjustments (payable) (including high risk pool premiums)	$ —	$ 324,741	$ —	$ 73,118	$ —	$ 251,623	$ —	$ (251,623)	B	$ —	$ —
3. Subtotal ACA Permanent Risk Adjustment Program	$ 2,340,947	$ 324,741	$ 7,900,132	$ 73,118	$ (5,559,185)	$ 251,623	$ 5,559,185	$ (251,623)		$ —	$ —
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	$ 19,750	$ —	$ 19,750	$ —	$ —	$ —	$ —	$ —	C	$ —	$ —
2. Amounts recoverable for claims unpaid (contra liability)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	D	$ —	$ —
3. Amounts receivable relating to uninsured plans	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	E	$ —	$ —
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	F	$ —	$ —
5. Ceded reinsurance premiums payable	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	G	$ —	$ —
6. Liability for amounts held under uninsured plans	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	H	$ —	$ —
7. Subtotal ACA Transitional Reinsurance Program	$ 19,750	$ —	$ 19,750	$ —	$ —	$ —	$ —	$ —		$ —	$ —
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	I	$ —	$ —
2. Reserve for rate credits or policy experience rating refunds	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	J	$ —	$ —
3. Subtotal ACA Risk Corridors Program	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —		$ —	$ —
d. Total for ACA Risk Sharing Provisions	$ 2,360,697	$ 324,741	$ 7,919,882	$ 73,118	$ (5,559,185)	$ 251,623	$ 5,559,185	$ (251,623)		$ —	$ —

Explanations of Adjustments

A Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2018 Benefit Year."

B Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2018 Benefit Year."

C Not applicable.

D Not applicable.

E Not applicable.

F Not applicable.

G Not applicable.

H Not applicable.

I Not applicable.

J Not applicable.

(4) 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 December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					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	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	A	$ —	$ —
2. Reserve for rate credits for policy experience rating refunds	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	B	$ —	$ —
b. 2015											
1. Accrued retrospective premium	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	C	$ —	$ —
2. Reserve for rate credits for policy experience rating refunds	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	D	$ —	$ —
c. 2016											
1. Accrued retrospective premium	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	E	$ —	$ —
2. Reserve for rate credits for policy experience rating refunds	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	F	$ —	$ —
d. Total for Risk Corridors	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —		$ —	$ —

Explanations of adjustments

A Not applicable.
B Not applicable.
C Not applicable.
D Not applicable.
E Not applicable.
F Not applicable.

24E(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 Amount	6 Net Admitted Asset (4 - 5)
a. 2014	$ —	$ —	$ —	$ —	$ —	$ —
b. 2015	$ —	$ —	$ —	$ —	$ —	$ —
c. 2016	$ —	$ —	$ —	$ —	$ —	$ —
d. Total (a + b + c)	$ —	$ —	$ —	$ —	$ —	$ —

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. The estimated cost of claims and claim adjustment expense attributable to insured events of prior years decreased by $9,294,334 during 2019. This is approximately 10.7% of unpaid claims and claim adjustment expenses of $86,943,868 as of December 31, 2018. The redundancy reflects the decreases in estimated claims and claims adjustment expenses as a result of claims payment during the year, and as additional information is received regarding claims incurred prior to 2019. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claim adjustment expense.

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

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2019 and 2018.

27. Structured Settlements

Not applicable at December 31, 2019 and 2018.

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

During 2019, the Company sold $34,633,672 of pharmaceutical rebate receivables without recourse to Blue Cross of California, an affiliated entity. The cash proceeds received by the Company represented the expected pharmaceutical rebates recoverable in 90 days or more at the end of each quarter, less a $173,168 discount fee.

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
12/31/2019	$ 9,764,807	$ 754,214	$ —	$ —	$ —
9/30/2019	11,418,791	2,469,644	688,250	—	—
6/30/2019	16,914,872	11,157,483	1,473,186	10,056,436	—
3/31/2019	16,981,743	11,009,700	1,427,392	9,536,022	—
12/31/2018	16,348,308	11,959,201	1,320,399	10,661,211	—
9/30/2018	16,168,443	11,441,728	7,881,462	3,622,312	1,076
6/30/2018	14,632,081	11,297,167	1,123,923	10,321,121	(35,091)
3/31/2018	14,710,362	10,571,253	685,094	9,973,180	(8,595)
12/31/2017	8,686,761	12,324,255	3,508,485	4,797,775	(31,977)
9/30/2017	12,314,689	11,889,498	11,225,668	518,984	499
6/30/2017	12,809,839	11,856,748	56,229	11,735,368	(22,650)
3/31/2017	10,966,606	10,804,153	64,301	10,062,516	632,568

B. Risk Sharing Receivables

Not applicable at December 31, 2019 and 2018.

29. Participating Policies

Not applicable at December 31, 2019 and 2018.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves $ —
2. Date of the most recent evaluation of this liability December 31, 2019
3. Was anticipated investment income utilized in the calculation? Yes ____ No X

The Company recorded premium deficiency reserves of $159,903 at December 31, 2018.

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced the liability by $1,350,000 and $1,683,000 at December 31, 2019 and 2018, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2

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 [X] 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 [X] No [ ]

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0001156039

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [X]

2.2 If yes, date of change: .....

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017

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

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/23/2019

3.4 By what department or departments?
State of 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 [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? ..... Yes [ ] No [X]
4.12 renewals? ..... Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? ..... Yes [ ] No [X]
4.22 renewals? ..... Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [X]
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 [X]

6.2 If yes, give full information:
.....

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? ..... Yes [ ] No [X]

7.2 If yes,
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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 111 Monument Circle, Suite 4000, Indianapolis, IN 46204

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Claudia Ellis, Associate Actuary (employee), 3350 Peachtree Road NE, Atlanta, GA 30326

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 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 $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No [ ]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $ 3,411,579

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: $

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No [ ]

24.02 If no, give full and complete information relating thereto

24.03 For security 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)
Please see Notes 5E and 17.

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [ ] N/A [ ]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 4,083,020

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [ ] N/A [ ]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [ ] N/A [ ]

24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 4,110,043
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 4,083,020
24.103 Total payable for securities lending reported on the liability page. $ 4,083,020

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

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

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Placed under option agreements $
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $
25.27 FHLB Capital Stock $
25.28 On deposit with states $ 702,509
25.29 On deposit with other regulatory bodies $
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $
25.32 Other $

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [ ]
If no, attach a description with this statement.

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

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

26.4 If the response to 26.3 is YES, does the reporting entity utilize:
26.41 Special accounting provision of SSAP No. 108 Yes [ ] No [ ]
26.42 Permitted accounting practice Yes [ ] No [ ]
26.43 Other accounting guidance Yes [ ] No [ ]

26.5 By responding YES to 26.41 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.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. $

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

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

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

GENERAL INTERROGATORIES

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

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

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

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

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

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

1 Name of Firm or Individual	2 Affiliation
Anthem, Inc.	I
Loomis, Sayles & Company, LP	U
Pacific Investment Management Company	U

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105377	Loomis, Sayles & Company, LP	JIZPN2RX3UMNOYIDI313	Securities Exchange Commission	NO
104559	Pacific Investment Management Company	549300KGPYQZXGMYYN38	Securities Exchange Commission	NO

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

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

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

GENERAL INTERROGATORIES

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	259,505,751	266,042,195	6,536,444
30.2 Preferred stocks	0		0
30.3 Totals	259,505,751	266,042,195	6,536,444

30.4 Describe the sources or methods utilized in determining the fair values:
Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.

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

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No [ ]

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

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No [ ]
32.2 If no, list exceptions:

33. 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]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as 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]

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

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 175,928

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

1 Name	2 Amount Paid
Blue Cross Blue Shield Association	175,928

GENERAL INTERROGATORIES

37.1 Amount of payments for legal expenses, if any? $ 844,818

37.2 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 Name	2 Amount Paid

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 70,369

38.2 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 Name	2 Amount Paid
Preti Flaherty Beliveau Pachios LLP	57,750

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State as well as the cost of external contractors who provided lobbying services to the Company. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2019 Annual Statement.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

1.2 If yes, indicate premium earned on U.S. business only. $ 50,938,423

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $ 0

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above $ 0

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. $ 42,753,220

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 15,015,468

1.62 Total incurred claims $ 13,634,502

1.63 Number of covered lives 7,993

All years prior to most current three years:

1.64 Total premium earned $ 35,922,955

1.65 Total incurred claims $ 29,118,718

1.66 Number of covered lives 14,379

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	1,176,186,974	988,862,510
2.2	Premium Denominator	1,176,186,974	988,862,510
2.3	Premium Ratio (2.1/2.2)	1.000	1.000
2.4	Reserve Numerator	224,445,135	188,513,065
2.5	Reserve Denominator	224,445,135	188,513,065
2.6	Reserve Ratio (2.4/2.5)	1.000	1.000

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

3.2 If yes, give particulars:

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

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

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

5.2 If no, explain:

Anthem, Inc. has financial reserves available to cover catastrophic losses. Also see the response to question 6 below.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical $ 0

5.32 Medical Only $ 0

5.33 Medicare Supplement $ 0

5.34 Dental & Vision $ 0

5.35 Other Limited Benefit Plan $ 0

5.36 Other $ 0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

If the company becomes insolvent, Anthem, Inc. had agreed to the full extent of its assets, to assume all contractual and financial obligations of the Company. Effective November 30, 2018, the Company terminated the Insolvency Agreement with Anthem Insurance Companies, Inc. The majority of provider and professional contracts include Hold Harmless provisions.

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

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 16,335

8.2 Number of providers at end of reporting year 14,075

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 $ 0

9.22 Business with rate guarantees over 36 months $ 0

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No [ ]

10.2 If yes:

10.21 Maximum amount payable bonuses $ 1,521,398
10.22 Amount actually paid for year bonuses $ 7,246,692
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 [X]
11.13 An Individual Practice Association (IPA), or, Yes [ ] No [X]
11.14 A Mixed Model (combination of above)? Yes [ ] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] 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. $ 64,130,795
11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [X]
11.6 If the amount is calculated, show the calculation
250% of Health Risk-Based Capital Authorized Control Level (250% x $25,652,318)

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

1 Name of Service Area
State of Maine

13.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

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 [X]

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 [X]
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 gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

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

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

FIVE-YEAR HISTORICAL DATA

		1 2019	2 2018	3 2017	4 2016	5 2015
	Balance Sheet (Pages 2 and 3)					
1.	Total admitted assets (Page 2, Line 28)	499,695,483	493,935,763	497,962,958	408,406,115	397,874,610
2.	Total liabilities (Page 3, Line 24)	320,969,952	373,877,390	332,577,698	257,958,186	243,869,220
3.	Statutory minimum capital and surplus requirement	64,130,795	53,949,260	68,473,518	72,552,363	67,438,168
4.	Total capital and surplus (Page 3, Line 33)	178,725,531	120,058,373	165,385,260	150,447,929	154,005,390
	Income Statement (Page 4)					
5.	Total revenues (Line 8)	1,169,038,959	991,739,739	1,139,542,290	1,062,877,705	1,034,467,608
6.	Total medical and hospital expenses (Line 18)	987,243,900	852,080,007	998,869,272	931,060,035	894,409,814
7.	Claims adjustment expenses (Line 20)	32,773,683	24,406,889	31,989,954	28,631,538	26,622,661
8.	Total administrative expenses (Line 21)	64,431,037	69,256,197	61,119,570	74,125,499	78,786,392
9.	Net underwriting gain (loss) (Line 24)	84,750,242	45,836,743	47,563,494	29,363,356	35,771,567
10.	Net investment gain (loss) (Line 27)	9,665,637	10,391,698	8,454,429	7,567,511	8,141,889
11.	Total other income (Lines 28 plus 29)	951,058	778,158	225,574	(522,058)	19,675
12.	Net income or (loss) (Line 32)	71,985,728	58,641,784	37,741,037	19,094,673	22,173,708
	Cash Flow (Page 6)					
13.	Net cash from operations (Line 11)	120,768,229	(57,605,836)	86,955,567	22,173,803	19,255,584
	Risk-Based Capital Analysis					
14.	Total adjusted capital	178,725,531	120,058,373	165,385,260	150,447,929	154,005,390
15.	Authorized control level risk-based capital	25,652,318	21,579,704	27,389,407	29,020,945	26,975,267
	Enrollment (Exhibit 1)					
16.	Total members at end of period (Column 5, Line 7)	393,941	361,759	382,011	379,610	318,477
17.	Total members months (Column 6, Line 7)	4,685,438	4,312,662	4,670,930	4,216,388	3,826,114
	Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18.	Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19.	Total hospital and medical plus other non-health (Lines 18 plus Line 19)	84.4	85.9	87.7	87.6	86.5
20.	Cost containment expenses	1.6	1.4	1.6	1.5	1.3
21.	Other claims adjustment expenses	1.2	1.1	1.2	1.2	1.3
22.	Total underwriting deductions (Line 23)	92.8	95.4	95.8	97.2	96.5
23.	Total underwriting gain (loss) (Line 24)	7.2	4.6	4.2	2.8	3.5
	Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24.	Total claims incurred for prior years (Line 13, Col. 5)	72,913,114	129,908,137	106,626,639	92,135,910	83,739,728
25.	Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	84,863,772	146,533,692	113,008,713	102,787,643	92,486,810
	Investments In Parent, Subsidiaries and Affiliates					
26.	Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27.	Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0				
28.	Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	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					
31.	All other affiliated					
32.	Total of above Lines 26 to 31	0	0	0	0	0
33.	Total investment in parent included in Lines 26 to 31 above.					

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

If no, please explain:

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

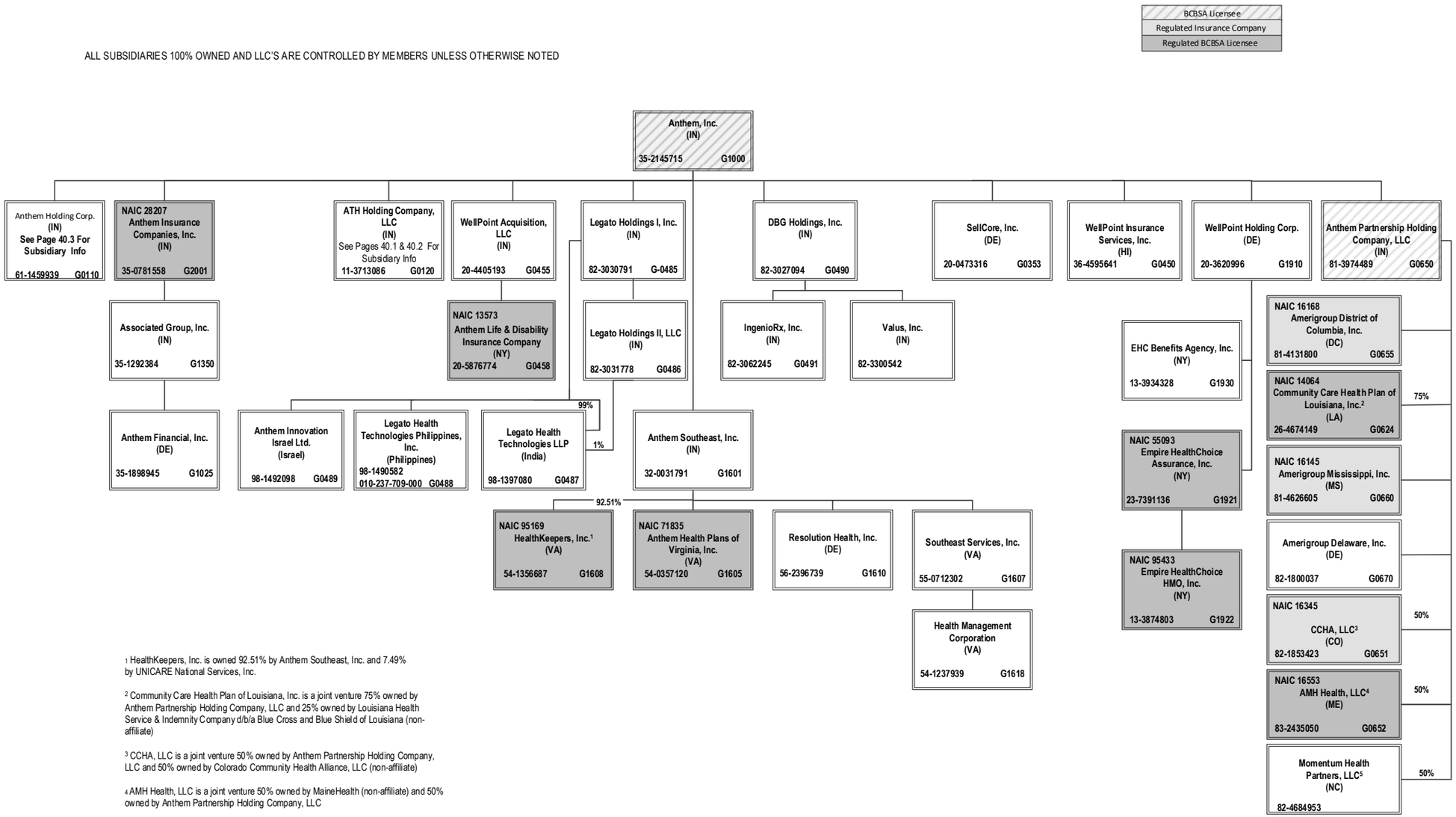
	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type 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	962,989,399	621,733		226,793,611			1,190,404,743	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	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 alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	962,989,399	621,733	0	226,793,611	0	0	1,190,404,743	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	XXX	962,989,399	621,733	0	226,793,611	0	0	1,190,404,743	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 1
R - Registered - Non-domiciled RRGs 0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state 0
Q - Qualified - Qualified or accredited reinsurer 0
N - None of the above - Not allowed to write business in the state 56

(b) Explanation of basis of allocation by states, premiums by state, etc.
Premium amounts are allocated based on residence of insured.

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



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

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

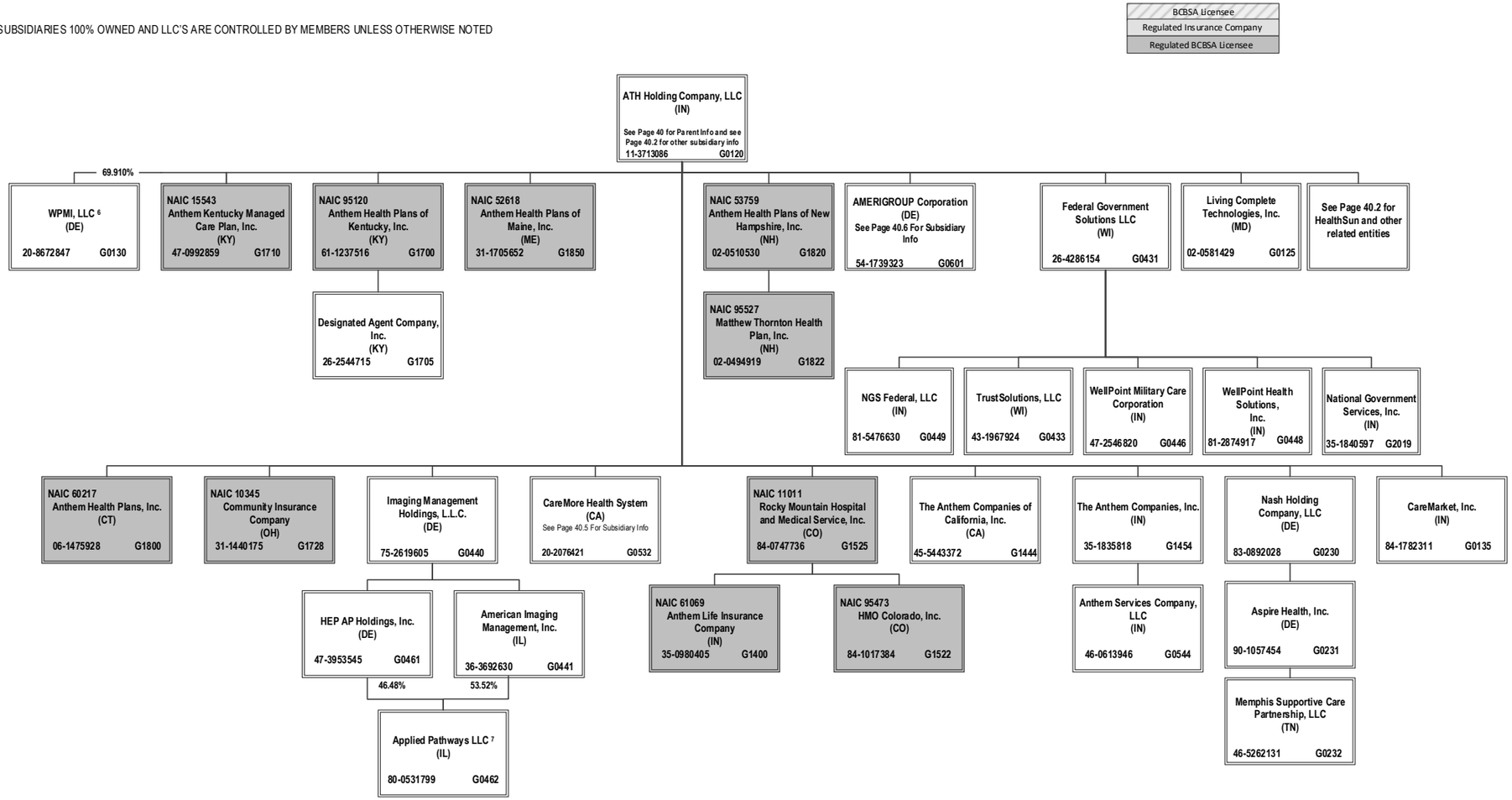
[3] CCHA, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Colorado Community Health Alliance, LLC (non-affiliate)

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

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

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

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

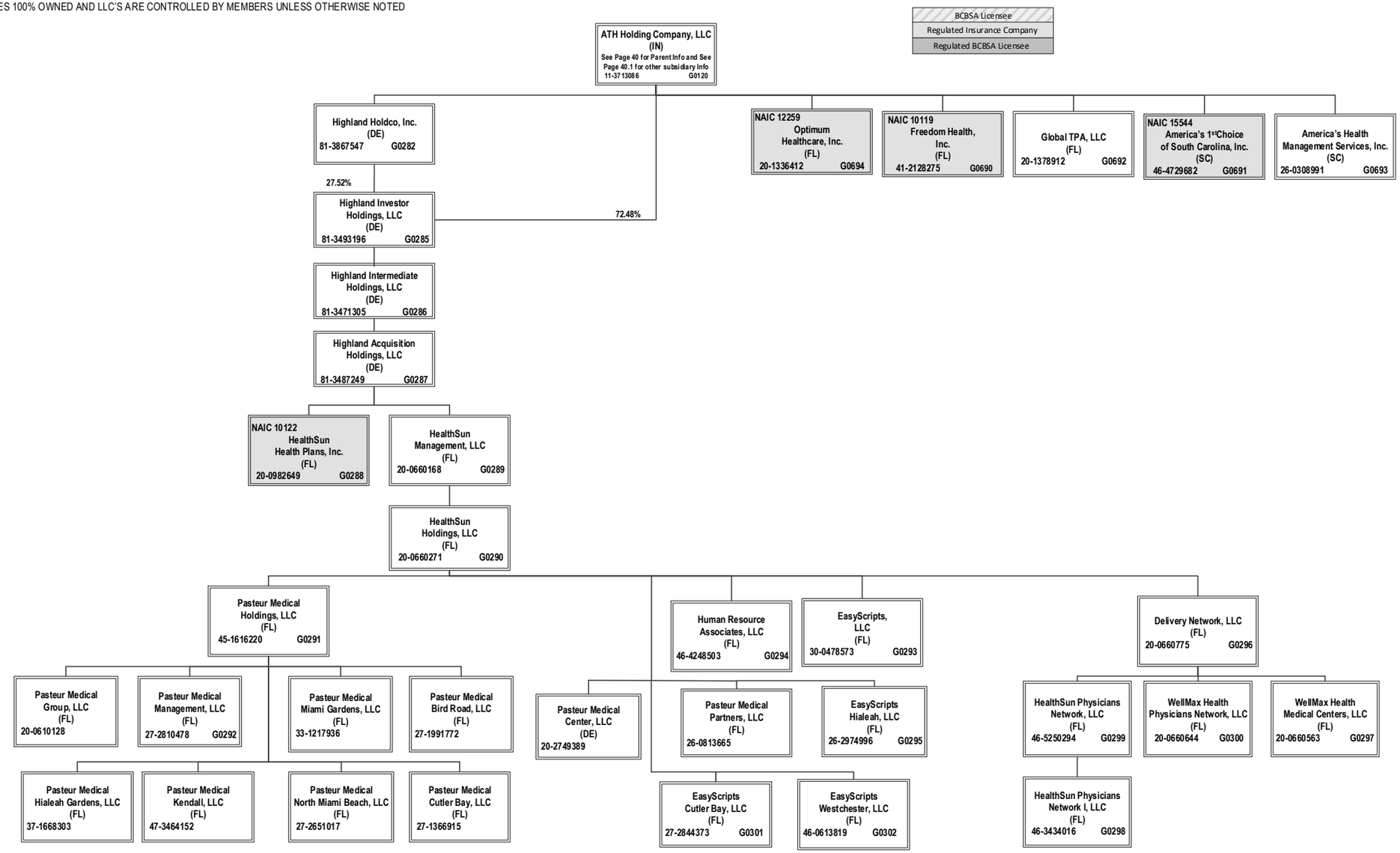


[6] 30.09% of WPMI, LLC is owned by unaffiliated investors

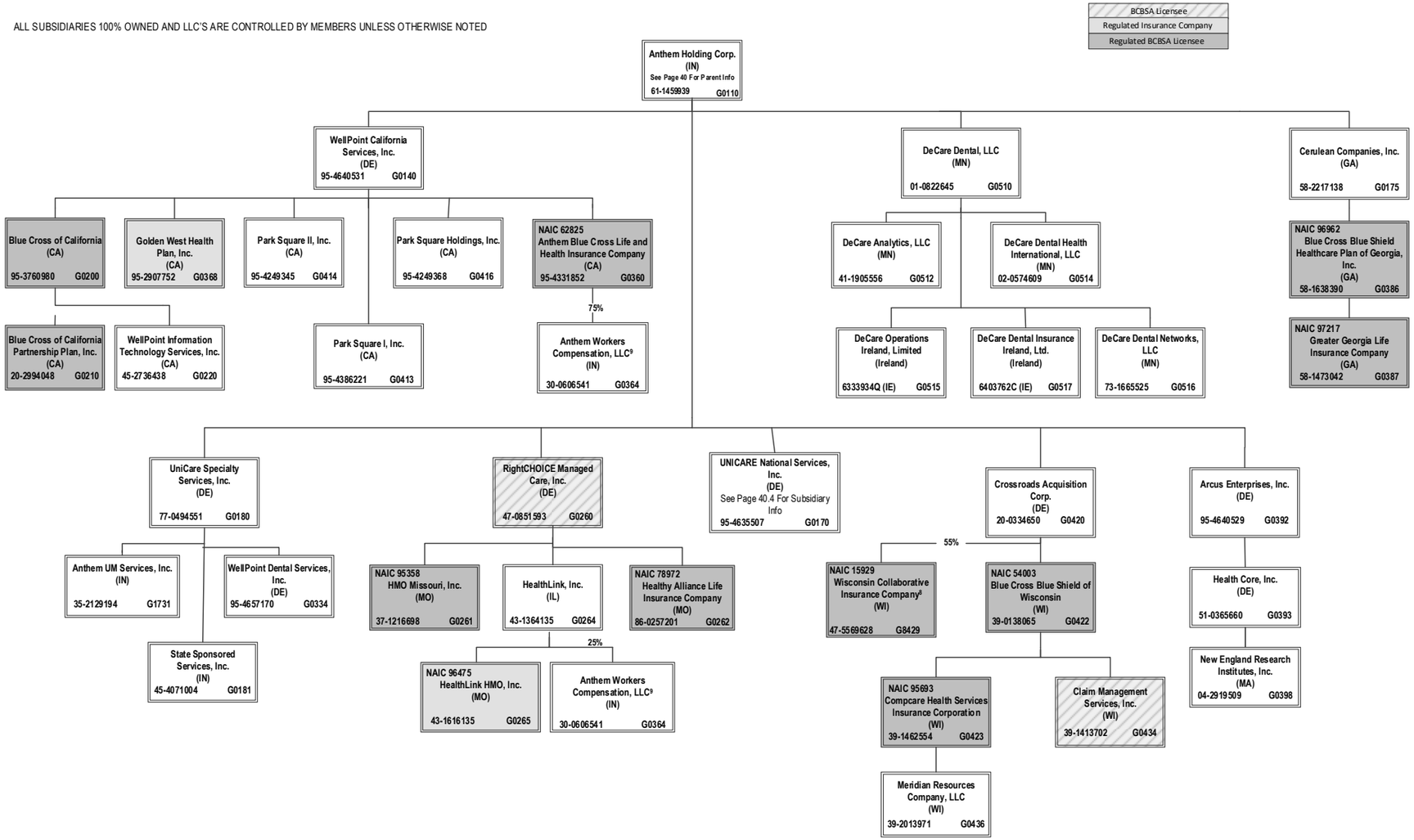
[7] Applied Pathways LLC is owned 53.52% by AIM and 46.48% by HEP AP Holdings, Inc.

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

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



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

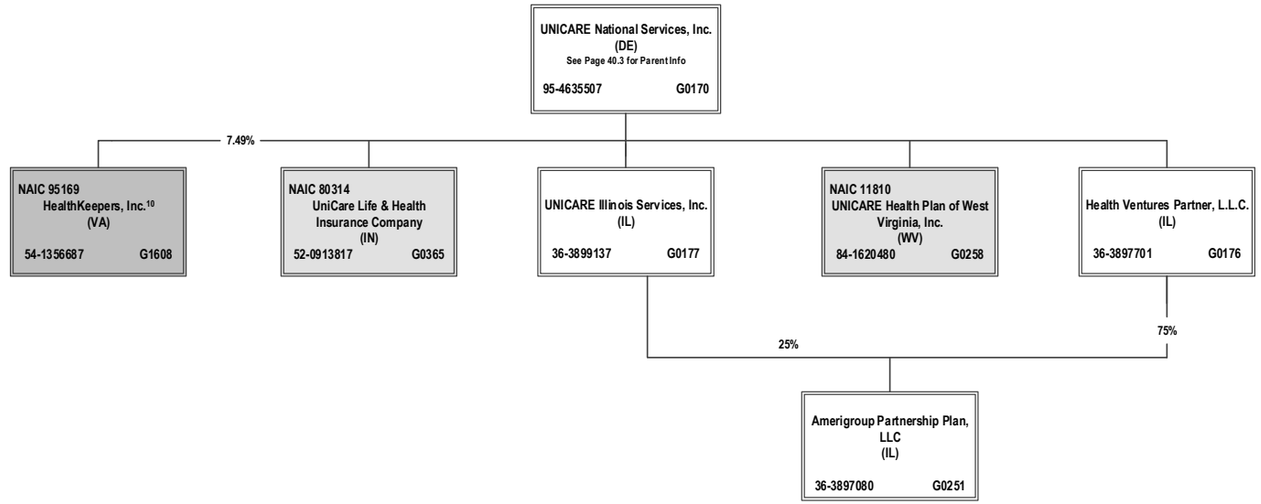


[8] 45% of WCIC is owned by Aurora Health Care, Inc. (non-affiliate). Not consolidated for accounting purposes.

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

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

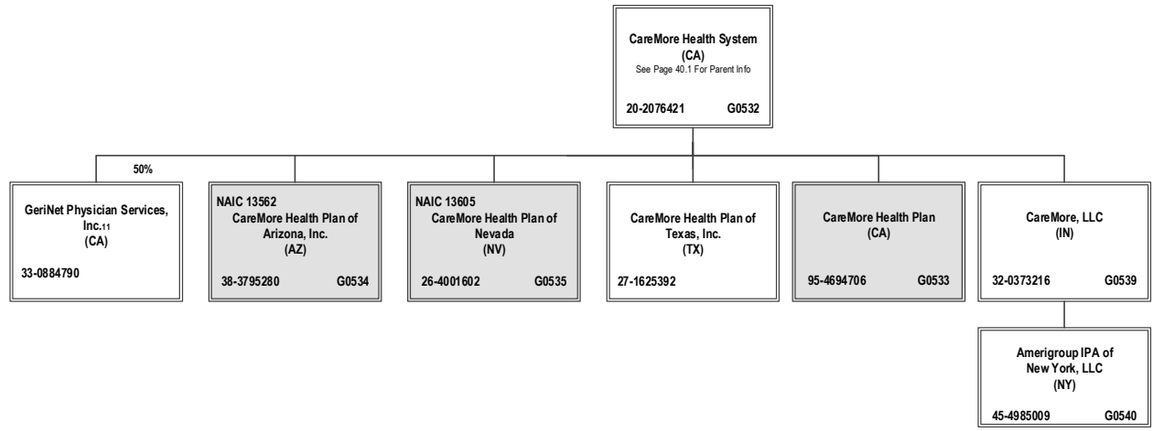
ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



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

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

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

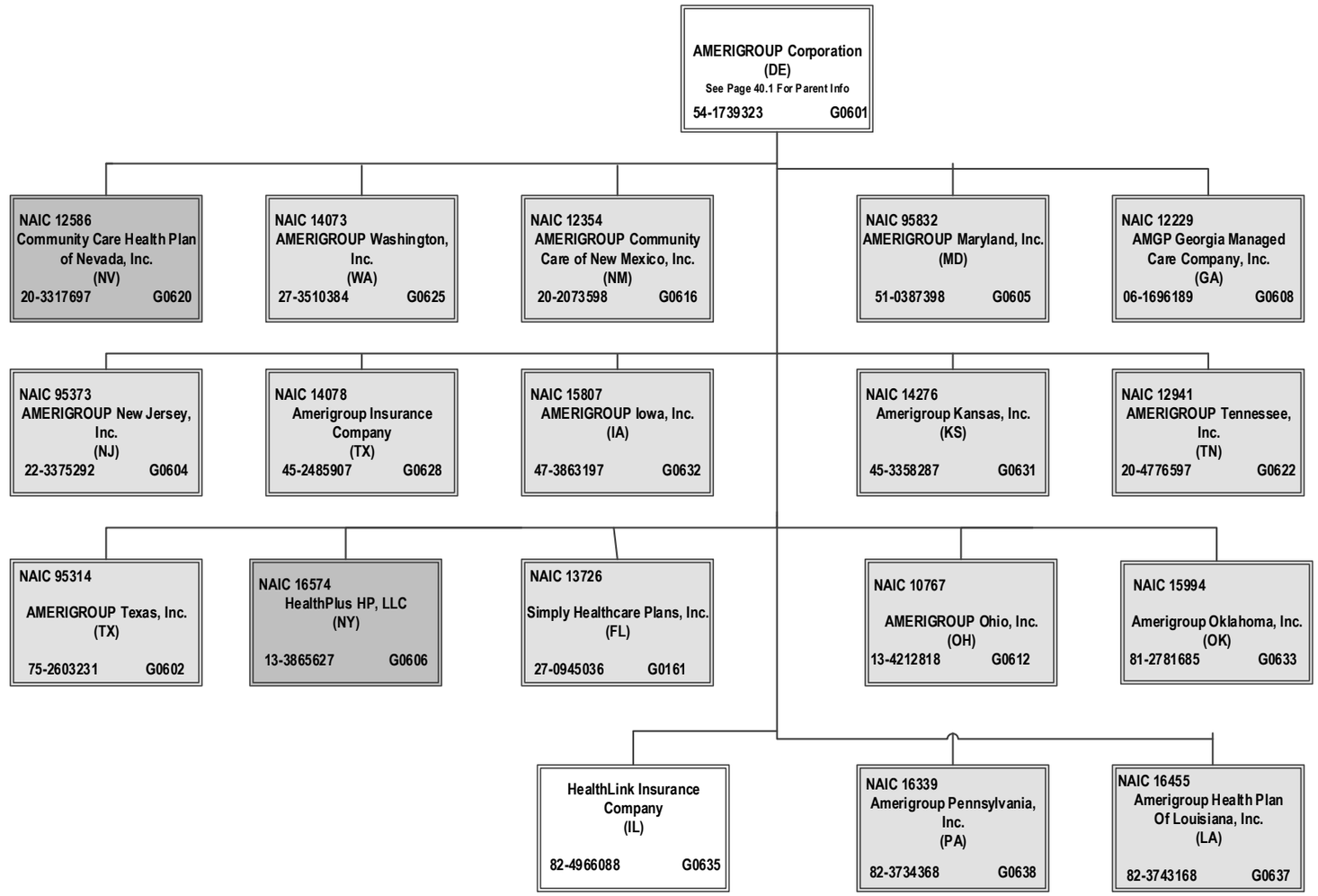


[11] GeriNet Physician Services, Inc. is owned 50% by CareMore Health System and 50% by Health Essentials Acquisition Corporation (non-affiliate)

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

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

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



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504. Prepaid Expenses	593,327	593,327	0	0
2597. Summary of remaining write-ins for Line 25 from overflow page	593,327	593,327	0	0

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2304. Other Liabilities	1,266,892		1,266,892	516,671
2305. Blue Card Liabilties	523,130		523,130	40,535
2306. Performance Guarantee Liability	427,057		427,057	646,405
2397. Summary of remaining write-ins for Line 23 from overflow page	2,217,079	0	2,217,079	1,203,611

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Exhibit 1 Line 6

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
0604. Stoploss	33,485	32,403	32,298	33,070	33,179	360,932
0697. Summary of remaining write-ins for Line 6 from overflow page	33,485	32,403	32,298	33,070	33,179	360,932

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