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HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2020
OF THE CONDITION AND AFFAIRS OF THE

Empire HealthChoice HMO, Inc.

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

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

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

Statutory Home Office 9 Pine Street, 14th Floor (Street and Number), New York, NY, US 10005 (City or Town, State, Country and Zip Code)

Main Administrative Office 9 Pine Street, 14th Floor (Street and Number)
New York, NY, US 10005 (City or Town, State, Country and Zip Code), 212-563-5570 (Area Code) (Telephone Number)

Mail Address 9 Pine Street, 14th Floor (Street and Number or P.O. Box), New York, NY, US 10005 (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 (City or Town, State, Country and Zip Code), 866-583-6182 (Area Code) (Telephone Number)

Internet Website Address www.empireblue.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, Chairperson and Chief Executive Officer: Alan James Murray
Treasurer: Eric (Rick) Kenneth Noble
Secretary: Jay Harry Wagner
Assistant Secretary: Patrick James O'Keeffe

OTHER

Vincent Edward Scher, Assistant Treasurer
Mark Daniel Justus, Valuation Actuary

DIRECTORS OR TRUSTEES

Alan James Murray
Lois Susan Freedman
Patrick James O'Keeffe
Jennifer Zoe Kuhn #

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.

DocuSigned by:	DocuSigned by:	DocuSigned by:
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Alan James Murray President	Jay Harry Wagner Secretary	Eric (Rick) Kenneth Noble Treasurer

Subscribed and sworn to before me this
_____ day of _____

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

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)	311,064,048		311,064,048	313,107,531
2.	Stocks (Schedule D):				
	2.1 Preferred stocks			0	0
	2.2 Common stocks			0	0
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens			0	0
	3.2 Other than first liens			0	0
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ ..... encumbrances)			0	0
	4.2 Properties held for the production of income (less $ ..... encumbrances)			0	0
	4.3 Properties held for sale (less $ ..... encumbrances)			0	0
5.	Cash ($ 13,493,763 , Schedule E - Part 1), cash equivalents ($ 15,000,000 , Schedule E - Part 2) and short-term investments ($ ..... , Schedule DA)	28,493,763		28,493,763	8,646,481
6.	Contract loans, (including $ ..... premium notes)			0	0
7.	Derivatives (Schedule DB)			0	0
8.	Other invested assets (Schedule BA)			0	0
9.	Receivables for securities			0	0
10.	Securities lending reinvested collateral assets (Schedule DL)	10,382,589		10,382,589	4,274,969
11.	Aggregate write-ins for invested assets	0	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	349,940,400	0	349,940,400	326,028,981
13.	Title plants less $ ..... charged off (for Title insurers only)			0	0
14.	Investment income due and accrued	2,939,671		2,939,671	3,128,426
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	7,831,274	1,907,550	5,923,724	12,982,349
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums)			0	0
	15.3 Accrued retrospective premiums ($ 3,614,534) and contracts subject to redetermination ($ 19,403,903)	23,018,437		23,018,437	19,843,232
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	424,963	237,533	187,430	273,028
18.1	Current federal and foreign income tax recoverable and interest thereon	9,250,200		9,250,200	3,749,005
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 ($ .....)			0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23.	Receivables from parent, subsidiaries and affiliates			0	0
24.	Health care ($ 6,790,234) and other amounts receivable	14,283,547	7,493,313	6,790,234	17,235,073
25.	Aggregate write-ins for other than invested assets	30,621,904	3,279,599	27,342,305	25,419,273
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	438,310,396	12,917,995	425,392,401	408,659,367
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28.	Total (Lines 26 and 27)	438,310,396	12,917,995	425,392,401	408,659,367
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.	Medicare Receivables	19,775,377		19,775,377	8,797,422
2502.	New York Assessment	3,089,575		3,089,575	9,240,020
2503.	Premium Tax Recoverable	1,574,458		1,574,458	2,367,110
2598.	Summary of remaining write-ins for Line 25 from overflow page	6,182,494	3,279,599	2,902,895	5,014,721
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	30,621,904	3,279,599	27,342,305	25,419,273

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
1.	Claims unpaid (less $ 0 reinsurance ceded)	122,196,630		122,196,630	88,963,406
2.	Accrued medical incentive pool and bonus amounts	21,929,771		21,929,771	6,791,641
3.	Unpaid claims adjustment expenses	2,674,150		2,674,150	2,007,118
4.	Aggregate health policy reserves, including the liability of $ 0 for medical loss ratio rebate per the Public Health Service Act	18,579,698		18,579,698	53,631,925
5.	Aggregate life policy reserves			0	0
6.	Property/casualty unearned premium reserves			0	0
7.	Aggregate health claim reserves	1,030		1,030	5,297
8.	Premiums received in advance	478,284		478,284	962,451
9.	General expenses due or accrued	1,950,187		1,950,187	3,196,323
10.1	Current federal and foreign income tax payable and interest thereon (including $ on realized capital gains (losses))			0	0
10.2	Net deferred tax liability			0	0
11.	Ceded reinsurance premiums payable			0	0
12.	Amounts withheld or retained for the account of others	1,145,158		1,145,158	687,136
13.	Remittances and items not allocated	3,559,413		3,559,413	4,891,752
14.	Borrowed money (including $ current) and interest thereon $ (including $ current)			0	0
15.	Amounts due to parent, subsidiaries and affiliates	59,856,905		59,856,905	77,684,077
16.	Derivatives			0	0
17.	Payable for securities			0	438,646
18.	Payable for securities lending	10,382,589		10,382,589	4,274,969
19.	Funds held under reinsurance treaties (with $ authorized reinsurers, $ 0 unauthorized reinsurers and $ 0 certified reinsurers)			0	0
20.	Reinsurance in unauthorized and certified ($) companies			0	0
21.	Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22.	Liability for amounts held under uninsured plans			0	0
23.	Aggregate write-ins for other liabilities (including $ 1,794,462 current)	2,436,845	0	2,436,845	7,968,856
24.	Total liabilities (Lines 1 to 23)	245,190,660	0	245,190,660	251,503,597
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	17,985,713
26.	Common capital stock	XXX	XXX	2	2
27.	Preferred capital stock	XXX	XXX		
28.	Gross paid in and contributed surplus	XXX	XXX	101,999,998	101,999,998
29.	Surplus notes	XXX	XXX	0	
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	118,700,549	121,974,894
31.	Unassigned funds (surplus)	XXX	XXX	(40,498,808)	(84,804,837)
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	180,201,741	157,155,770
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	425,392,401	408,659,367
	DETAILS OF WRITE-INS				
2301.	Miscellaneous Medicare Liabilities	949,315		949,315	5,795,597
2302.	Escheat Liability	765,564		765,564	765,199
2303.	Other premium liability	280,510		280,510	320,756
2398.	Summary of remaining write-ins for Line 23 from overflow page	441,456	0	441,456	1,087,304
2399.	Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	2,436,845	0	2,436,845	7,968,856
2501.	Estimated ACA Health Insurer fee	XXX	XXX		17,985,713
2502.		XXX	XXX		
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	17,985,713
3001.	Required Reserves	XXX	XXX	118,700,549	121,974,894
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	118,700,549	121,974,894

STATEMENT OF REVENUE AND EXPENSES

		Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1.	Member Months	XXX	898,761	993,051
2.	Net premium income (including $ non-health premium income)	XXX	949,604,393	975,799,152
3.	Change in unearned premium reserves and reserve for rate credits	XXX	2,863,580	1,791,305
4.	Fee-for-service (net of $ medical expenses)	XXX	0	0
5.	Risk revenue	XXX	0	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	952,467,973	977,590,457
	Hospital and Medical:			
9.	Hospital/medical benefits		643,366,771	669,940,026
10.	Other professional services		26,112,583	43,569,277
11.	Outside referrals		59,798,654	44,070,798
12.	Emergency room and out-of-area		28,467,417	29,989,280
13.	Prescription drugs		61,632,989	81,349,222
14.	Aggregate write-ins for other hospital and medical	0	(301,376)	(1,311,589)
15.	Incentive pool, withhold adjustments and bonus amounts		22,169,453	8,915,656
16.	Subtotal (Lines 9 to 15)	0	841,246,491	876,522,670
	Less:			
17.	Net reinsurance recoveries		0	75,519
18.	Total hospital and medical (Lines 16 minus 17)	0	841,246,491	876,447,151
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including $ 35,949,847 cost containment expenses		54,590,226	48,371,555
21.	General administrative expenses		92,710,145	72,678,660
22.	Increase in reserves for life and accident and health contracts (including $ increase in reserves for life only)		(33,112,103)	41,716,038
23.	Total underwriting deductions (Lines 18 through 22)	0	955,434,759	1,039,213,404
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(2,966,786)	(61,622,947)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		8,662,295	10,360,261
26.	Net realized capital gains (losses) less capital gains tax of $ 634,891		2,479,770	965,782
27.	Net investment gains (losses) (Lines 25 plus 26)	0	11,142,065	11,326,043
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $) (amount charged off $ 210,585)]		(210,585)	(209,553)
29.	Aggregate write-ins for other income or expenses	0	(188,464)	(608,210)
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	7,776,230	(51,114,667)
31.	Federal and foreign income taxes incurred	XXX	(2,379,942)	(9,996,623)
32.	Net income (loss) (Lines 30 minus 31)	XXX	10,156,172	(41,118,044)
	DETAILS OF WRITE-INS			
0601.		XXX		
0602.		XXX		
0603		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.		XXX		
0702.		XXX		
0703		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.	Pool Recoveries - Stop Loss		(301,376)	(1,311,589)
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	(301,376)	(1,311,589)
2901.	Miscellaneous (expense) income		(188,464)	(608,210)
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	(188,464)	(608,210)

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	157,155,770	187,011,169
34.	Net income or (loss) from Line 32	10,156,172	(41,118,044)
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ (46,712)	(175,723)	48,390
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	(46,712)	(3,049,270)
39.	Change in nonadmitted assets	13,112,234	(736,475)
40	Change in unauthorized and certified reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
	44.1 Paid in	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0
	44.3 Transferred to surplus		
45.	Surplus adjustments:		
	45.1 Paid in	0	15,000,000
	45.2 Transferred to capital (Stock Dividend)		
	45.3 Transferred from capital		
46.	Dividends to stockholders		
47.	Aggregate write-ins for gains or (losses) in surplus	0	0
48.	Net change in capital and surplus (Lines 34 to 47)	23,045,971	(29,855,399)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	180,201,741	157,155,770
	DETAILS OF WRITE-INS		
4701.			
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	0

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	953,888,306	994,969,047
2.	Net investment income	11,544,219	13,154,618
3.	Miscellaneous income	0	0
4.	Total (Lines 1 through 3)	965,432,525	1,008,123,665
5.	Benefit and loss related payments	792,879,404	874,671,915
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	148,138,648	123,463,221
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $ 634,891 tax on capital gains (losses)	3,756,144	(10,534,046)
10.	Total (Lines 5 through 9)	944,774,196	987,601,090
11.	Net cash from operations (Line 4 minus Line 10)	20,658,329	20,522,575
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	95,453,423	59,163,984
	12.2 Stocks	0	0
	12.3 Mortgage loans	0	0
	12.4 Real estate	0	0
	12.5 Other invested assets	0	0
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(19,992)	(4,977)
	12.7 Miscellaneous proceeds	0	811,027
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	95,433,431	59,970,034
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	93,190,892	70,673,095
	13.2 Stocks	0	0
	13.3 Mortgage loans	0	0
	13.4 Real estate	0	0
	13.5 Other invested assets	0	0
	13.6 Miscellaneous applications	6,546,266	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	99,737,158	70,673,095
14.	Net increase (decrease) in contract loans and premium notes	0	0
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(4,303,727)	(10,703,061)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	15,000,000
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	0	0
	16.6 Other cash provided (applied)	3,492,680	(20,707,073)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	3,492,680	(5,707,073)
	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)	19,847,282	4,112,441
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	8,646,481	4,534,040
	19.2 End of year (Line 18 plus Line 19.1)	28,493,763	8,646,481

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	949,604,393	39,080,231	0	0	0	0	910,465,840	0	58,322	0
2. Change in unearned premium reserves and reserve for rate credit	2,863,580	518,097	0	0	0	0	2,345,483	0	0	0
3. Fee-for-service (net of $ ..... medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	952,467,973	39,598,328	0	0	0	0	912,811,323	0	58,322	0
8. Hospital/medical benefits	643,366,771	15,143,806	0	0	0	0	628,222,965	0	0	XXX
9. Other professional services	26,112,583	1,115,273	0	0	0	0	24,997,310	0	0	XXX
10. Outside referrals	59,798,654	707,053	0	0	0	0	59,091,601	0	0	XXX
11. Emergency room and out-of-area	28,467,417	3,204,515	0	0	0	0	25,262,902	0	0	XXX
12. Prescription drugs	61,632,989	3,352,433	0	0	0	0	58,199,070	0	81,486	XXX
13. Aggregate write-ins for other hospital and medical	(301,376)	(301,376)	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	22,169,453	157,935	0	0	0	0	22,011,518	0	0	XXX
15. Subtotal (Lines 8 to 14)	841,246,491	23,379,639	0	0	0	0	817,785,366	0	81,486	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	841,246,491	23,379,639	0	0	0	0	817,785,366	0	81,486	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $ 35,949,847 cost containment expenses	54,590,226	3,044,279	0	0	0	0	51,545,029	0	918	0
20. General administrative expenses	92,710,145	5,170,075	0	0	0	0	87,538,511	0	1,559	0
21. Increase in reserves for accident and health contracts	(33,112,103)	(358,585)	0	0	0	0	(32,753,518)	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)	955,434,759	31,235,408	0	0	0	0	924,115,388	0	83,963	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	(2,966,786)	8,362,920	0	0	0	0	(11,304,065)	0	(25,641)	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. Pool Recoveries - Stop Loss	(301,376)	(301,376)								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)	(301,376)	(301,376)	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)	39,080,231	0	0	39,080,231
2.	Medicare Supplement	0	0	0	0
3.	Dental only	0	0	0	0
4.	Vision only	0	0	0	0
5.	Federal Employees Health Benefits Plan	0	0	0	0
6.	Title XVIII - Medicare	910,465,840	0	0	910,465,840
7.	Title XIX - Medicaid	0	0	0	0
8.	Other health	58,322	0	0	58,322
9.	Health subtotal (Lines 1 through 8)	949,604,393	0	0	949,604,393
10.	Life	0		0	0
11.	Property/casualty	0			0
12.	Totals (Lines 9 to 11)	949,604,393	0	0	949,604,393

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	760,690,004	32,445,434	0	0	0	0	728,158,633	0	85,937	0
1.2 Reinsurance assumed	0							0		
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	760,690,004	32,445,434	0	0	0	0	728,158,633	0	85,937	0
2. Paid medical incentive pools and bonuses	7,031,323	218,797	0	0	0	0	6,812,526	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	122,196,630	2,823,031	0	0	0	0	119,371,599	0	2,000	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	122,196,630	2,823,031	0	0	0	0	119,371,599	0	2,000	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	1,030	1,029	0	0	0	0	1	0	0	0
4.2 Reinsurance assumed	0							0		
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	1,030	1,029	0	0	0	0	1	0	0	0
5. Accrued medical incentive pools and bonuses, current year	21,929,771	334,369	0	0	0	0	21,595,402	0	0	0
6. Net healthcare receivables (a)	(25,158,077)	(787,076)	0	0	0	0	(24,371,489)	0	488	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	88,963,406	12,829,570	0	0	0	0	76,127,872	0	5,964	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	88,963,406	12,829,570	0	0	0	0	76,127,872	0	5,964	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	5,297	5,296	0	0	0	0	1	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	5,297	5,296	0	0	0	0	1	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	6,791,641	395,231	0	0	0	0	6,396,410	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	819,077,038	23,221,704	0	0	0	0	795,773,849	0	81,485	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	819,077,038	23,221,704	0	0	0	0	795,773,849	0	81,485	0
13. Incurred medical incentive pools and bonuses	22,169,453	157,935	0	0	0	0	22,011,518	0	0	0

(a) Excludes $ ..... 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	44,299,605	1,790,801					42,508,804			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	44,299,605	1,790,801	0	0	0	0	42,508,804	0	0	0
2. Incurred but Unreported:										
2.1 Direct	77,897,025	1,032,230					76,862,795		2,000	
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	77,897,025	1,032,230	0	0	0	0	76,862,795	0	2,000	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	122,196,630	2,823,031	0	0	0	0	119,371,599	0	2,000	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	122,196,630	2,823,031	0	0	0	0	119,371,599	0	2,000	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)	14,416,675	25,481,040	599,816	2,224,244	15,016,491	12,834,866
2. Medicare Supplement	0	0	0	0	0	0
3. Dental Only	0	0	0	0	0	0
4. Vision Only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	0	0	0	0	0	0
6. Title XVIII - Medicare	78,723,734	681,424,154	907,997	118,463,603	79,631,731	76,127,873
7 Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	6,585	79,440	1	1,999	6,586	5,964
9. Health subtotal (Lines 1 to 8)	93,146,994	706,984,634	1,507,814	120,689,846	94,654,808	88,968,703
10. Healthcare receivables (a)	2,811,795	11,471,752	0	0	2,811,795	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	3,912,704	3,118,619	7,747,106	14,182,665	11,659,810	6,791,641
13. Totals (Lines 9 - 10 + 11 + 12)	94,247,903	698,631,501	9,254,920	134,872,511	103,502,823	95,760,344

(a) Excludes $ ..... 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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	69,678	71,405	70,432	70,352	70,352
2. 2016	489,225	530,170	530,300	530,215	529,279
3. 2017	XXX	467,564	520,563	521,602	524,449
4. 2018	XXX	XXX	93,556	102,312	102,405
5. 2019	XXX	XXX	XXX	80,539	90,353
6. 2020	XXX	XXX	XXX	XXX	21,632

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	69,522	71,869	70,720	70,468	70,352
2. 2016	561,140	532,408	530,790	530,132	529,669
3. 2017	XXX	526,053	522,587	524,604	524,511
4. 2018	XXX	XXX	105,347	102,581	102,724
5. 2019	XXX	XXX	XXX	90,465	90,488
6. 2020	XXX	XXX	XXX	XXX	23,887

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. 2016	625,118	529,279	28,376	5.4	557,655	89.2	389	7	558,051	89.3
2. 2017	561,974	524,449	23,934	4.6	548,383	97.6	62	1	548,446	97.6
3. 2018	124,461	102,405	6,038	5.9	108,443	87.1	319	1	108,763	87.4
4. 2019	105,315	90,353	3,007	3.3	93,360	88.6	134	3	93,497	88.8
5. 2020	39,598	21,632	2,437	11.3	24,069	60.8	2,254	41	26,364	66.6

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	102,444	103,483	102,053	100,973	100,973
2. 2016	592,422	679,098	682,980	682,399	681,147
3. 2017	XXX	651,644	735,688	735,422	735,141
4. 2018	XXX	XXX	731,613	801,629	805,118
5. 2019	XXX	XXX	XXX	716,294	796,760
6. 2020	XXX	XXX	XXX	XXX	676,920

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	107,027	104,803	102,142	100,988	100,973
2. 2016	682,189	681,481	682,151	682,387	681,150
3. 2017	XXX	740,969	737,209	737,248	735,229
4. 2018	XXX	XXX	810,358	803,953	806,681
5. 2019	XXX	XXX	XXX	794,665	803,457
6. 2020	XXX	XXX	XXX	XXX	809,537

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. 2016	755,962	681,147	28,582	4.2	709,729	93.9	4	0	709,733	93.9
2. 2017	722,297	735,141	26,334	3.6	761,475	105.4	88	2	761,565	105.4
3. 2018	867,320	805,118	36,587	4.5	841,705	97.0	1,562	(4)	843,263	97.2
4. 2019	871,982	796,760	46,932	5.9	843,692	96.8	6,696	22	850,410	97.5
5. 2020	912,811	676,920	43,526	6.4	720,446	78.9	132,617	2,602	855,665	93.7

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	4	4	3	3	3
2. 2016	257	263	263	263	263
3. 2017	XXX	276	278	278	278
4. 2018	XXX	XXX	244	256	256
5. 2019	XXX	XXX	XXX	251	258
6. 2020	XXX	XXX	XXX	XXX	79

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	5	4	3	3	3
2. 2016	264	264	263	263	263
3. 2017	XXX	282	278	278	278
4. 2018	XXX	XXX	253	257	256
5. 2019	XXX	XXX	XXX	255	258
6. 2020	XXX	XXX	XXX	XXX	81

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. 2016	339	263	5	1.9	268	79.1	0	0	268	79.1
2. 2017	311	278	2	0.7	280	90.0	0	0	280	90.0
3. 2018	313	256	3	1.2	259	82.7	0	0	259	82.7
4. 2019	294	258	2	0.8	260	88.4	0	0	260	88.4
5. 2020	58	79	1	1.3	80	137.9	2	0	82	141.4

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	172,126	174,892	172,488	171,328	171,328
2. 2016	1,081,904	1,209,531	1,213,543	1,212,877	1,210,689
3. 2017	XXX	1,119,484	1,256,529	1,257,302	1,259,868
4. 2018	XXX	XXX	825,413	904,197	907,779
5. 2019	XXX	XXX	XXX	797,084	887,371
6. 2020	XXX	XXX	XXX	XXX	698,631

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	176,554	176,676	172,865	171,459	171,328
2. 2016	1,243,593	1,214,153	1,213,204	1,212,782	1,211,082
3. 2017	XXX	1,267,304	1,260,074	1,262,130	1,260,018
4. 2018	XXX	XXX	915,958	906,791	909,661
5. 2019	XXX	XXX	XXX	885,385	894,203
6. 2020	XXX	XXX	XXX	XXX	833,505

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. 2016	1,381,419	1,210,689	56,963	4.7	1,267,652	91.8	393	7	1,268,052	91.8
2. 2017	1,284,582	1,259,868	50,270	4.0	1,310,138	102.0	150	3	1,310,291	102.0
3. 2018	992,094	907,779	42,628	4.7	950,407	95.8	1,881	(3)	952,285	96.0
4. 2019	977,591	887,371	49,941	5.6	937,312	95.9	6,830	25	944,167	96.6
5. 2020	952,467	698,631	45,964	6.6	744,595	78.2	134,873	2,643	882,111	92.6

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	0								
2. Additional policy reserves (a)	17,640,697	3,839,232					13,801,465		
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $) for investment income	90,692						90,692		
5. Aggregate write-ins for other policy reserves	848,309	848,309	0	0	0	0	0	0	0
6. Totals (gross)	18,579,698	4,687,541	0	0	0	0	13,892,157	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	18,579,698	4,687,541	0	0	0	0	13,892,157	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	1,030	1,029					1		
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	1,030	1,029	0	0	0	0	1	0	0
13. Reinsurance ceded	0								
14. Totals (Net)(Page 3, Line 7)	1,030	1,029	0	0	0	0	1	0	0
DETAILS OF WRITE-INS									
0501. Risk Adjustment Redetermination	848,309	848,309							
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)	848,309	848,309	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ 17,640,697 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)	559,159	529,448	94,041	79	1,182,727
2. Salary, wages and other benefits	19,234,758	7,633,440	21,977,971	18,572	48,864,741
3. Commissions (less $ ..... ceded plus $ ..... assumed)			10,447,227	0	10,447,227
4. Legal fees and expenses	392	(814)	2,440,596	2,063	2,442,237
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services	921,500	988,547	2,567,854	2,170	4,480,071
7. Traveling expenses	33,063	6,840	259,382	219	299,504
8. Marketing and advertising	70,852	25,497	16,056,808	13,568	16,166,725
9. Postage, express and telephone	311,886	190,474	917,728	775	1,420,863
10. Printing and office supplies	45,589	3,881	88,221	75	137,766
11. Occupancy, depreciation and amortization					0
12. Equipment	763	3,290	469,840	397	474,290
13. Cost or depreciation of EDP equipment and software	280,926	234,804	1,335,481	1,128	1,852,339
14. Outsourced services including EDP, claims, and other services	13,229,412	3,695,854	11,099,755	9,379	28,034,400
15. Boards, bureaus and association fees	2,211		90,498	76	92,785
16. Insurance, except on real estate	0		222,065	188	222,253
17. Collection and bank service charges	1	6	73,255	62	73,324
18. Group service and administration fees	0	71,237	64,029	54	135,320
19. Reimbursements by uninsured plans	0		0	0	0
20. Reimbursements from fiscal intermediaries	0		0	0	0
21. Real estate expenses	29,861	12,184	523,924	443	566,412
22. Real estate taxes	0		50,012	0	50,012
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0		312,514	0	312,514
23.2 State premium taxes	0		792,653	0	792,653
23.3 Regulatory authority licenses and fees	2,892	2,030	246,748	0	251,670
23.4 Payroll taxes	1,167,234	459,387	1,330,688	0	2,957,309
23.5 Other (excluding federal income and real estate taxes)	0		17,584,362	0	17,584,362
24. Investment expenses not included elsewhere	0		0	315,287	315,287
25. Aggregate write-ins for expenses	59,348	4,784,274	3,664,493	3,097	8,511,212
26. Total expenses incurred (Lines 1 to 25)	35,949,847	18,640,379	92,710,145	367,632	(a) 147,668,003
27. Less expenses unpaid December 31, current year		2,674,150	1,950,187		4,624,337
28. Add expenses unpaid December 31, prior year		2,007,118	3,196,323		5,203,441
29. Amounts receivable relating to uninsured plans, prior year			564,839		564,839
30. Amounts receivable relating to uninsured plans, current year			424,963		424,963
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	35,949,847	17,973,347	93,816,405	367,632	148,107,231
DETAILS OF WRITE-INS					
2501. Miscellaneous Expenses	59,348	4,784,274	3,664,493	3,097	8,511,212
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)	59,348	4,784,274	3,664,493	3,097	8,511,212

(a) Includes management fees of $ 118,139,124 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) 77,685	108,042
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 8,920,387	8,700,872
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5	Contract Loans	0	0
6	Cash, cash equivalents and short-term investments	(e) 158,705	158,705
7	Derivative instruments	(f) 0	0
8.	Other invested assets	0	0
9.	Aggregate write-ins for investment income	61,906	62,308
10.	Total gross investment income	9,218,683	9,029,927
11.	Investment expenses		(g) 367,632
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)		367,632
17.	Net investment income (Line 10 minus Line 16)		8,662,295
	DETAILS OF WRITE-INS		
0901.	Miscellaneous Income	51,602	51,602
0902.	Securities Lending	10,304	10,706
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)	61,906	62,308
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 $ 150,250 accrual of discount less $ 2,843,424 amortization of premium and less $ 262,684 paid for accrued interest on purchases.

(b) Includes $ 0 accrual of discount less $ 0 amortization of premium and less $ 0 paid for accrued dividends on purchases.

(c) Includes $ ..... 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 $ ..... 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	295,427	0	295,427	0	0
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	2,839,230	0	2,839,230	(222,435)	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	(19,996)		(19,996)		
7.	Derivative instruments			0		
8.	Other invested assets		0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	3,114,661	0	3,114,661	(222,435)	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

		1 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
15.	Premiums and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	1,907,550	1,868,754	(38,796)
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
	15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16.	Reinsurance:			
	16.1 Amounts recoverable from reinsurers			0
	16.2 Funds held by or deposited with reinsured companies			0
	16.3 Other amounts receivable under reinsurance contracts			0
17.	Amounts receivable relating to uninsured plans	237,533	291,811	54,278
18.1	Current federal and foreign income tax recoverable and interest thereon			0
18.2	Net deferred tax asset			0
19.	Guaranty funds receivable or on deposit			0
20.	Electronic data processing equipment and software			0
21.	Furniture and equipment, including health care delivery assets			0
22.	Net adjustment in assets and liabilities due to foreign exchange rates			0
23.	Receivable from parent, subsidiaries and affiliates			0
24.	Health care and other amounts receivable	7,493,313	22,206,551	14,713,238
25.	Aggregate write-ins for other than invested assets	3,279,599	1,663,113	(1,616,486)
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	12,917,995	26,030,229	13,112,234
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28.	Total (Lines 26 and 27)	12,917,995	26,030,229	13,112,234
	DETAILS OF WRITE-INS			
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.	Blue Card Program Receivables	86,981		(86,981)
2502.	Miscellaneous Receivables	3,485		(3,485)
2503.	Prepaid Expenses	3,189,133	1,663,113	(1,526,020)
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)	3,279,599	1,663,113	(1,616,486)

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	80,089	69,658	72,066	73,783	71,963	874,892
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service	2,018	2,061	2,087	1,918	1,916	23,869
5. Indemnity Only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	82,107	71,719	74,153	75,701	73,879	898,761
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

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

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

	SSAP #	F/S Page	F/S Line #	2020	2019
Net Income					
(1) Empire HealthChoice HMO, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	$ 10,156,172	$ (41,118,044)
(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	$ 10,156,172	$ (41,118,044)
Surplus					
(5) Empire HealthChoice HMO, Inc. state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	$180,201,741	$157,155,770
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
Pooling/Stop Loss recoverable	6	2	25	194,103	1,616,037
Prepaid Brokers' Commissions	29	2	25	1,248,377	2,643,363
Overdue local government premiums	6	2	15.1	424,689	1,276,195
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	$178,334,572	$151,620,175

NOTES TO FINANCIAL STATEMENTS

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

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

C. Accounting Policies

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

In addition, the Company uses the following accounting policies:

(1) Short-term investments include investments with maturities of less than one year and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
(2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
(3) The Company has no investments in common stocks of unaffiliated companies.
(4) The Company has no investments in preferred stocks.
(5) The Company has no mortgage loans - real estate.
(6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
(7) The Company has no investments in subsidiaries, controlled and affiliated companies.
(8) The Company has no investments in joint ventures, partnerships or limited liability companies.
(9) The Company has no derivative instruments.
(10) The Company recognizes losses from other-than-temporary impairments ("OTTI") of investments in accordance with Statements of Standard Accounting Practice ("SSAP") No. 26R, *Bonds*; and SSAP No. 30, *Common Stock*; and SSAP No. 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

NOTES TO FINANCIAL STATEMENTS

management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.

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

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

D. Going Concern

Not applicable.

2. Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2020 and 2019.

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 2020 or 2019.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2020 or 2019.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2020 or 2019.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2020 or 2019.

NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities

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

(2) The Company did not recognize OTTI on its loan-backed securities during the years ended December 31, 2020 and 2019.

(3) The Company did not recognize OTTI on its loan-backed securities at December 31, 2020 and 2019.

(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	$	(20,964)
		2. 12 Months or Longer	$	—
b.	The aggregate related fair value of securities with unrealized losses:			
		1. Less than 12 Months	$	2,997,529
		2. 12 Months or Longer	$	—

(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, 2020 or 2019.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The Company did not enter into repurchase agreements at December 31, 2020 or 2019.

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

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

a. Aggregate amount collateral received

		Fair Value
1.	Securities Lending	
(a)	Open	$ 9,357,923
(b)	30 days or less	—
(c)	31 to 60 days	—
(d)	61 to 90 days	—
(e)	Greater than 90 days	—
(f)	Sub-total	$ 9,357,923
(g)	Securities received	1,024,729
(h)	Total collateral received	$ 10,382,652

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 $ 10,382,652

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	4,881,129	4,881,232
(c)	31 to 60 days	2,421,096	2,421,090
(d)	61 to 90 days	1,400,094	1,399,904
(e)	91 to 120 days	—	—
(f)	121 to 180 days	159,276	159,356
(g)	181 to 365 days	496,265	496,341
(h)	1 to 2 years	—	—
(i)	2 to 3 years	—	—
(j)	Greater than 3 years	—	—
(k)	Sub-total	$ 9,357,860	$ 9,357,923
(l)	Securities received	1,024,729	1,024,729
(m)	Total collateral reinvested	$ 10,382,589	$ 10,382,652

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, 2020 or 2019.

NOTES TO FINANCIAL STATEMENTS

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2020 or 2019.

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, 2020 or 2019.

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, 2020 or 2019.

J. Real Estate

The Company did not have investments in real estate and did not engage in retail land sales operations during 2020 or 2019.

K. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2020 or 2019.

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	10,382,589	4,274,969	6,107,620	—	10,382,589	2.38 %	2.45 %
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	56,351,118	68,122,623	(11,771,505)	—	56,351,118	12.91 %	13.30 %
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	$ 66,733,707	$ 72,397,592	$ (5,663,885)	$ —	$ 66,733,707	15.29 %	15.75 %

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

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

NOTES TO FINANCIAL STATEMENTS

(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	10,382,589	10,382,652	2.38	2.45
i. Other	—	—	—	—
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	$ 10,382,589	$10,382,652	2.38 %	2.45 %

* 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	$ 10,382,589	4.4 %

* 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, 2020 and 2019.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2020 and 2019.

O. 5GI Securities

The Company has no 5GI Securities as of December 31, 2020 and 2019.

P. Short Sales

The Company did not have any short sales at December 31, 2020 and 2019.

Q. Prepayment Penalty and Acceleration Fees

	General Account
(1) Number of CUSIPs	1
(2) Aggregate Amount of Investment Income $	2,469

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

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

B. Not applicable.

7. Investment Income

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

B. At December 31, 2020 and 2019 there was no nonadmitted accrued investment income.

8. Derivative Instruments

The Company has no derivative instruments.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

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

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

		12/31/2020		
		(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a)	Gross Deferred Tax Assets	$ 7,074,863	$ 104,043	$ 7,178,906
(b)	Statutory Valuation Allowance Adjustments	7,068,160	104,045	7,172,205
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	6,703	(2)	6,701
(d)	Deferred Tax Assets Nonadmitted	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	6,703	(2)	6,701
(f)	Deferred Tax Liabilities	6,701	—	6,701
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$ 2	$ (2)	$ —

		12/31/2019		
		(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a)	Gross Deferred Tax Assets	$ 16,291,667	$ 101,828	$ 16,393,495
(b)	Statutory Valuation Allowance Adjustments	16,285,520	101,828	16,387,348
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	6,147	—	6,147
(d)	Deferred Tax Assets Nonadmitted	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	6,147	—	6,147
(f)	Deferred Tax Liabilities	6,147	—	6,147
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$ —	$ —	$ —

		Change		
		(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a)	Gross Deferred Tax Assets	$ (9,216,804)	$ 2,215	$ (9,214,589)
(b)	Statutory Valuation Allowance Adjustments	(9,217,360)	2,217	(9,215,143)
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	556	(2)	554
(d)	Deferred Tax Assets Nonadmitted	—	—	—
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	556	(2)	554
(f)	Deferred Tax Liabilities	554	—	554
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	$ 2	$ (2)	$ —

NOTES TO FINANCIAL STATEMENTS

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

	12/31/2020		
	(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.	$ —	$ —	$ —
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	—	—	—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	—	—	—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	27,030,261
(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.	6,703	(2)	6,701
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$ 6,703	$ (2)	$ 6,701

	12/31/2019		
	(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.	$ —	$ —	$ —
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	—	—	—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	—	—	—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	23,573,365
(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.	6,147	—	6,147
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$ 6,147	$ —	$ 6,147

	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.	$ —	$ —	$ —
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	—	—	—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	—	—	—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	3,456,896
(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.	556	(2)	554
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	$ 556	$ (2)	$ 554

NOTES TO FINANCIAL STATEMENTS

(3)

	2020	2019
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	537.05 %	453.91 %
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	180,201,741	$ 157,155,770

(4)

	12/31/2020		12/31/2019		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)	$ 6,703	$ (2)	$ 6,147	$ —	$ 556	$ (2)
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)	$ 6,703	$ (2)	$ 6,147	$ —	$ 556	$ (2)
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, 2020 and 2019.

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

	(1) 12/31/2020	(2) 12/31/2019	(3) (Col 1-2) Change
(1) Current Income Tax			
(a) Federal	$ (2,379,942)	$ (9,996,623)	$ 7,616,681
(b) Foreign	—	—	—
(c) Subtotal	(2,379,942)	(9,996,623)	7,616,681
(d) Federal income tax expense on net capital gains	634,891	282,724	352,167
(e) Utilization of capital loss carry-forwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	$ (1,745,051)	$ (9,713,899)	$ 7,968,848

NOTES TO FINANCIAL STATEMENTS

	(1) 12/31/2020	(2) 12/31/2019	(3) (Col 1-2) Change
(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	$ 374,770	$ 133,874	$ 240,896
(2) Unearned premium reserve	20,185	62,183	(41,998)
(3) Policyholder reserves	609,772	505,119	104,653
(4) Investments	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	—	—	—
(8) Compensation and benefits accrual	—	—	—
(9) Pension accrual	—	—	—
(10) Receivables - nonadmitted	2,006,863	4,857,118	(2,850,255)
(11) Net operating loss carry-forward	—	—	—
(12) Tax credit carry-forward	—	—	—
(13) Other (including items <5% of total ordinary tax assets)	12,355	9	12,346
(14) Accrued future expenses	84,293	57,398	26,895
(15) Amortization	—	—	—
(16) Partnership income	—	—	—
(17) Premium deficiency reserves	3,704,546	10,658,088	(6,953,542)
(18) Prepaid expenses	262,079	17,878	244,201
(19) Section 467 lease expense	—	—	—
(20) Personal property tax accrual	—	—	—
(21) Deferred gain on sale of building	—	—	—
(22) State income tax liability	—	—	—
(23) Income from reinsurance contract	—	—	—
(99) Subtotal	7,074,863	16,291,667	(9,216,804)
(b) Statutory valuation allowance adjustment	7,068,160	16,285,520	(9,217,360)
(c) Nonadmitted	—	—	—
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	6,703	6,147	556
(e) Capital			
(1) Investments	104,043	101,828	2,215
(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 tax credits	—	—	—
(7) Affiliated investment write-down	—	—	—
(99) Subtotal	104,043	101,828	2,215
(f) Statutory valuation allowance adjustment	104,045	101,828	2,217
(g) Nonadmitted	—	—	—
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	(2)	—	(2)
(i) Admitted deferred tax assets (2d + 2h)	$ 6,701	$ 6,147	$ 554

NOTES TO FINANCIAL STATEMENTS

	(1) 12/31/2020	(2) 12/31/2019	(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)	—	—	—
(6) Amortization	—	—	—
(7) Discount of coordination of benefits	6,701	6,147	554
(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	—	—	—
(99) Subtotal	6,701	6,147	554
(b) Capital			
(1) Investments	—	—	—
(2) Real estate	—	—	—
(3) Other (including items <5% of total capital tax liabilities)	—	—	—
(4) Section 166 partial worthlessness	—	—	—
(5) Investment partnership income	—	—	—
(99) Subtotal	—	—	—
(c) Deferred tax liabilities (3a99 + 3b99)	$ 6,701	$ 6,147	$ 554
(4) Net deferred tax assets/liabilities (2i - 3c)	$ —	$ —	$ —

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:

	2020	2019
Tax expense computed using federal statutory rate	$ 1,766,335	$ (10,674,708)
ACA health insurer fee	3,543,167	—
Change in nonadmitted assets	2,753,569	(154,660)
Tax exempt income and dividend received deduction net of proration	(547,132)	(623,925)
Tax settlements and contingencies	—	(768,325)
Valuation allowance	(9,215,143)	5,555,939
Other, net	865	1,050
Total	$ (1,698,339)	$ (6,664,629)
Federal income taxes incurred	(1,745,051)	$ (9,713,899)
Change in net deferred income taxes	46,712	3,049,270
Total statutory income taxes	$ (1,698,339)	$ (6,664,629)

E. Operating loss carryforwards:

(1) The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2020 or 2019.

(2) The Company has no federal income taxes available for recoupment.

(3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS

F. The following companies will be included in the consolidated federal income tax return with their parent Anthem, Inc. ("Anthem") as of December 31, 2020 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 Insurance Company
AMERIGROUP Iowa, Inc.
Amerigroup Kansas, Inc.
AMERIGROUP Maryland, Inc.
AMERIGROUP Mississippi, Inc.
AMERIGROUP New Jersey, Inc.
AMERIGROUP Ohio, Inc.
AMERIGROUP Oklahoma, Inc.
Amerigroup Pennsylvania, Inc.
AMERIGROUP Tennessee, Inc.
AMERIGROUP Texas, 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 Southeast, Inc.
Anthem UM Services, Inc.
Anthem, Inc.
Arcus Enterprises, Inc.
Aspire Health, Inc.
Associated Group, Inc.
Beacon Health Financing, LLC
Beacon Health Options Care Services, Inc.
Beacon Health Options Holdco, Inc.
Beacon Health Options, Inc.
Beacon Health Options of California, Inc.
Beacon Health Options of Ohio, Inc.
Beacon Health Options of Pennsylvania, Inc.
Beacon Health Vista Parent, Inc.
Designated Agent Company, Inc.
EHC Benefits Agency, Inc.
Empire HealthChoice Assurance, Inc.
Empire HealthChoice HMO, Inc.
Federal Government Solutions, LLC
FHC Health Systems, Inc.
Freedom Health, Inc.
Golden West Health Plan, Inc.
Health Core, Inc.
Health Management Corporation
HealthKeepers, Inc.
HealthLink HMO, Inc.
HealthLink Insurance Company
HealthLink, Inc.
HealthPlus HP, LLC
HealthSun Health Plan, Inc.
Healthy Alliance Life Insurance Company
HEP AP Holdings, Inc.
Highland Holdco, Inc.
HMO Colorado, Inc.
HMO Missouri, Inc.
IEC Group Holdings, Inc.
IEC Group, Inc. d/b/a AmeriBen
Imaging Management Holdings, LLC
IngenioRx, Inc.
Legato Holdings I, Inc.
Living Complete Technologies, Inc.
Massachusetts Behavioral Health Partnership
Matthew Thornton Health Plan, Inc.
Missouri Care, Incorporated
Nash Holding Company, LLC
National Government Services, Inc.
New England Research Institutes, Inc.
Optimum Healthcare, Inc.
OPTIONS Health Care, 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.

NOTES TO FINANCIAL STATEMENTS

BHS IPA, LLC
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.
Blue Cross Blue Shield of Wisconsin
Blue Cross of California
Blue Cross of California Partnership Plan, Inc.
CareMarket, Inc.
CareMore Health Plan
CareMore Health Plan of Arizona, Inc.
CareMore Health Plan of Nevada, Inc.
CareMore Health Plan of Texas, Inc.
CareMore Health System
Cerulean Companies, Inc.
CHCS IPA, Inc.
Claim Management Services, Inc.
Community Care Health Plan of Nebraska, Inc. fka WellCare of Nebraska, Inc.
Community Care Health Plan of Nevada, Inc.
Community Insurance Company
Compcare Health Services Insurance Corporation
Crossroads Acquisition Corp.
DBG Holdings, Inc.
DeCare Analytics, LLC
DeCare Dental Health International, LLC
DeCare Dental Networks, LLC
DeCare Dental, LLC
The Anthem Companies of California, Inc.
The Anthem Companies, 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.
Value Health Reinsurance, Inc.
ValueOptions Federal Services, Inc.
ValueOptions New Mexico, Inc.
ValueOptions of Kansas, Inc.
ValueOptions of New Jersey, Inc.
ValueOptions Texas, Inc.
Valus, 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
ZipDrug, Inc.

G. Not applicable.

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 New York domiciled stock health maintenance organization ("HMO") and is a wholly-owned subsidiary of Empire HealthChoice Assurance, Inc. ("EHCA"), which is an indirect wholly-owned subsidiary of Anthem, a publicly traded company.

B. Significant Transactions for Each Period

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

The Company received a capital contribution of $15,000,000 from EHCA on December 30, 2019.

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

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

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

NOTES TO FINANCIAL STATEMENTS

D. Amounts Due to or from Related Parties

At December 31, 2020 and 2019, the Company reported no amounts due from affiliates. At December 31, 2020 and 2019, the Company reported $59,856,905 and $77,684,077 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:

	2020	2019
The Anthem Companies, Inc.		
Medical Management	$ 18,720,005	$ 17,664,585
MIS-IT	2,947,883	3,620,661
Sales	11,821,007	11,466,244
Customer Service	5,429,738	5,584,198
Claims	1,166,096	1,473,551
Provider Network	2,008,514	2,193,961
Enrollment and Billing	970,869	1,207,608
Operations Support	2,176,051	1,981,973
Finance	692,383	825,667
Decision Support	615,225	654,287
Underwriting	23,338	46,949
Legal and Compliance	794,899	993,022
Human Resources	445,109	383,183
Marketing	1,223,872	1,465,719
General Management	82,795	236,540
Product Development and Management	346,540	413,417
Planning	50,726	101,381
General Administration	276,945	309,811
Other	1,195,497	1,516,432
Total	$ 50,987,492	$ 52,139,189
Anthem, Inc.		
MIS-IT	$ 3,286,166	$ 5,541,171
Medical Management	10,786,099	6,657,970
General Management	1,091,377	1,266,076
Print Mail	710,756	447,091
Customer Service	2,178,630	1,607,403
Marketing	9,672,373	9,130,165
Legal and Compliance	2,156,196	2,425,004
Provider Network	418,551	527,924
Sales	10,291,433	18,379,806
Claims	864,954	575,558
Enrollment and Billing	372,378	508,268
General Administration	480,292	200,096
Finance	116,791	188,850
Product Development & Management	39,544	48,282
Operations Support	7,752,015	7,276,600
External Affairs	166,770	168,373
Decision Support	100,570	131,868
Other	853,865	493,082
Total	$ 51,338,760	$ 55,573,587
WellPoint Information Technology Services, Inc.		
MIS-IT	$ 988,540	$ 1,714,104
Other	1,281	92,894
Total	$ 989,821	$ 1,806,998
WellPoint Holding Corporation		
Claims	$ 768	$ 6,770
Medical Management	13,839	122,772
Other	10,205	49,734
Total	$ 24,812	$ 179,276
Costs allocated from other Anthem, Inc. affiliates not listed above		
Medical Management	$ (3,076,210)	$ (3,193,386)

NOTES TO FINANCIAL STATEMENTS

General Administration	(564,990)	(40,743)
Provider Network	684	5,596
MIS-IT	545,630	22,832
Finance	40,707	99,987
External Affairs	2,768	865
Product Development and Management	2,034	1,324
Claims	897,494	105,976
General Management	32,753	4,771
Underwriting	—	5
Decision Support	5,078	259
Credentialing	330	821
Marketing	21,208	38,078
Customer Service	555	(48)
Print Mail	1,343	5,918
Legal and Compliance	97	7,485
Clinical Health Policy	152	1,499
Human Resources	1,172	1,886
Sales	163,518	322,845
Planning	418	385
Actuarial Valuation	253	304
Operations Support	438,099	328,246
Other	(574,075)	(637,648)
Total	$ (2,060,982)	$ (2,922,743)
Net Costs Allocated to the Company	$ 101,279,903	$ 106,776,307
Federal Tax Payments to Anthem, Inc.	3,743,138	(10,533,861)
ACA Fee Assessment	16,872,226	—
Total Schedule Y, Part 2, Column 8	$ 121,895,267	$ 96,242,446

E. Management and Service Contracts and Cost Sharing Arrangements

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

The Company amended its agreements and added American Imaging Management, Inc. to the agreements.

F. Guarantees or Contingencies for Related Parties

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

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

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

H. Amount Deducted for Investment in Upstream Company

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

NOTES TO FINANCIAL STATEMENTS

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

At December 31, 2020 and 2019, 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, 2020 and 2019.

B. FHLB (Federal Home Loan Bank) Agreements

The Company had no FHLB agreements outstanding at December 31, 2020 and 2019.

C. All Other Debt

The Company had no other debt outstanding at December 31, 2020 and 2019.

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.

NOTES TO FINANCIAL STATEMENTS

E. Defined Contribution Plans

Not applicable - See Note 12G.

F. Multiemployer Plans

The Company does not participate in a multiemployer plan.

G. Consolidated/Holding Company Plans

The Company participates in frozen non-contributory defined benefit pension plans sponsored by ATH Holding Company, LLC ("ATH Holding"), covering most employees of 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.

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

During 2020 and 2019, the Company was allocated the following costs or (credits) for these retirement benefits:

	2020	2019
Defined benefit pension plan	**$ (271,453)**	$ (327,250)
Postretirement medical benefit plan	**(95,836)**	(41,353)
Deferred compensation plan	**17,513**	30,121
Defined contribution plan	**1,221,052**	1,208,427
Stock incentive compensation plan	**695,845**	727,637

H. Post Employment Benefits and Compensated Absences

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

Not applicable.

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

A. Outstanding Shares

As of December 31, 2020, the Company has 200,000 shares of $.01 par value common stock authorized, issued and outstanding.

B. Preferred Stock

The Company has no preferred stock outstanding.

C. Dividend Restrictions

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

D. Dividends Paid

See Footnote 10B.

E. Maximum Ordinary Dividend During 2021

Within the limitations of (C) above, the Company may not pay dividends during 2021 without prior approval.

F. Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2020.

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2020.

I. 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. The annual fee under section 9010 of the ACA has been permanently suspended beginning in 2021.

J. Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized investment gains and losses was $(264,422) at December 31, 2020.

NOTES TO FINANCIAL STATEMENTS

K. Surplus Notes

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

L. Restatement due to Prior Quasi-reorganizations

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

M. Quasi-reorganizations over Prior 10 Years

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

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company had no contingent commitments at December 31, 2020 or 2019.

B. Assessments

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

The Company participates in risk sharing pools, including the Demographic and Specified Medical Conditions (Regulation 164) and Stop Loss (Regulation 171) pools. These pools are intended to subsidize health insurance carriers for unfavorable claims experience. The Company is also subject to Bad Debt and Charity Care pools which subsidize financially stressed hospitals and Graduate Medical Expenses ("GME") assessments which subsidize hospital indigent care and health care initiatives.

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2020 or 2019.

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

Not applicable.

E. Joint and Several Liabilities

Not applicable.

F. All Other Contingencies

Litigation and regulatory proceedings

Blue Cross Blue Shield Antitrust Litigation

Anthem is a defendant in multiple lawsuits that were initially filed in 2012 against the BCBSA and Blue Cross and/or Blue Shield licensees ("Blue Plans") across the country. Cases filed in twenty-eight states were consolidated into a single, multi-district proceeding captioned *In re Blue Cross Blue Shield Antitrust Litigation* that is pending in the United States District Court for the Northern District of Alabama (the "Court"). Generally, the suits allege that the BCBSA and the Blue plans have conspired to horizontally allocate geographic markets through license agreements, best efforts rules that limit the percentage of non-Blue revenue of each plan, restrictions on acquisitions, rules governing the BlueCard® and National Accounts program and other arrangements in

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violation of the Sherman Antitrust Act ("Sherman Act"), and related state laws. The cases were brought by two putative nationwide classes of plaintiffs, health plan subscribers and providers.

In response to cross motions for partial summary judgement 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. In April 2019, plaintiffs filed their motions for class certification in conjunction with their supporting expert reports, and the defendants filed their motions to exclude plaintiffs' experts, as their opposition to plaintiffs' motions for class certification, in July 2019.

The BCBSA and Blue plans have approved a settlement agreement and release (the "Subscriber Settlement Agreement"), with the subscriber plaintiffs. If approved by the Court, the Subscriber Settlement Agreement will require defendants to make a monetary settlement payment, Anthem's portion of which is estimated to be $594,000,000 and will contain certain non-monetary terms including (i) eliminating the "national best efforts" rule in the BSBSA license agreements (which rule limits the percentage of non-Blue revenue permitted for each Blue plan) and (ii) allowing for some large national employers with self-funded benefit plans to be able to request a bid for insurance coverage from a second Blue plan in addition to the local Blue plan. On November 30, 2020, the Court issued an order preliminarily approving the Subscriber Settlement Agreement. All terms of the Subscriber Settlement Agreement are subject to final approval by the Court before they become effective. A final approval hearing has been scheduled for October 20, 2021. Anthem's estimated payment obligation, net of third party insurance coverage, is $548,000,000. The Company recorded its estimated portion of the Subscriber Settlement Agreement, net of third party insurance coverage, in 2020.

In October 2020, after the Court lifted the stay as to the provider litigation, provider plaintiffs filed a renewed motion for class certification, and defendants filed an opposition to that motion. Anthem intends to continue to vigorously defend the provider suit; however, its ultimate outcome cannot be presently determined.

Express Scripts, Inc. Pharmacy Benefit Management Litigation

In March 2016, Anthem filed a lawsuit against Express Scripts, Inc. ("Express Scripts"), their vendor at the time for PBM services, captioned *Anthem, Inc. v. Express Scripts, Inc.*, in the U.S. District Court for the Southern District of New York. The lawsuit seeks to recover over $14,800,000,000 in damages for pharmacy pricing that is higher than competitive benchmark pricing under the agreement between the parties (the "ESI PBM Agreement"), over $158,000,000 in damages related to operational breaches, as well as various declarations under the ESI PBM Agreement, including that Express Scripts: (i) breached its obligation to negotiate in good faith and to agree in writing to new pricing terms; (ii) was required to provide competitive benchmark pricing to Anthem 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 Anthem's contractual claims and is seeking declaratory judgments: (i) regarding the timing of the periodic pricing review under the ESI PBM Agreement, and (ii) that it has no obligation to ensure that 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 they entered into the ESI PBM

NOTES TO FINANCIAL STATEMENTS

Agreement. In March 2017, the court granted Anthem's motion to dismiss Express Scripts' counterclaims for (i) breach of the implied covenant of good faith and fair dealing, and (ii) unjust enrichment with prejudice. The only remaining claims are for breach of contract and declaratory relief. Rebuttal expert reports were submitted in October, discovery must be completed in April 2021, and motions for summary judgment must be filed in May 2021. Anthem intends to vigorously pursue their claims and defend against any counterclaims, which they believe 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 their 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 ESI PBM Agreement, (ii) by placing their own pecuniary interest above the best interests of their insureds by allegedly agreeing to higher pricing in the ESI PBM Agreement in exchange for the purchase price for their 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 them, 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. In December 2020, the Court affirmed the trial court's decision dismissing the ERISA complaint. Plaintiffs have filed a Petition for Rehearing and Rehearing En Banc. 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 they entered into the Cigna 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 $1,850,000,000 termination fee pursuant to the terms of the Cigna Merger Agreement, and a declaratory judgement 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

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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 arguments in November 2019 and took the matter under consideration. In February 2020, the Delaware Court requested supplemental briefing, which has been submitted. On August 31, 2020, the Delaware Court issued an opinion finding that neither party was owed damages and that Anthem did not owe Cigna the $1,850,000,000 termination fee. The Delaware Court issued an order implementing its opinion in October 2020. Cigna filed its notice of appeal in November 2020 challenging the trial court's opinion that Anthem did not owe Cigna a termination fee. Cigna filed its appellate brief in December 2020. Anthem's response was filed in January. Anthem believes Cigna's allegations are without merit and they intend to vigorously defend against Cigna's allegations; however, the ultimate outcome of any appeal of this litigation with Cigna cannot be presently determined.

In October 2018, a shareholder filed a derivative lawsuit in the State of Indiana Marion County Superior Court, captioned *Henry Bittmann, Derivatively, et al. v. Joseph R. Swedish, et al.*, purportedly on behalf of Anthem and their shareholders against certain current and former directors and officers alleging breaches of fiduciary duties, unjust enrichment and corporate waste associated with the Cigna Merger Agreement. This case has been stayed at the request of the parties pending the outcome of Anthem's litigation with Cigna in the Delaware Court. This lawsuit's ultimate outcome cannot be presently determined.

Medicare Risk Adjustment Litigation

In March 2020, the DOJ filed a civil lawsuit against Anthem, Inc. in the U.S. District Court for the Southern District of New York in a case captioned *United States v. Anthem, Inc*. The DOJ's suit alleges, among other things, that Anthem falsely certified the accuracy of the diagnosis data they submitted to the Centers for Medicare and Medicaid Services, or CMS, for risk-adjustment purposes under Medicare Part C and knowingly failed to delete inaccurate diagnosis codes. The DOJ further alleges that, as a result of these purported acts, Anthem caused CMS to calculate the risk-adjustment payments based on inaccurate diagnosis information, which enabled Anthem to obtain unspecified amounts of payments in Medicare funds in violation of the False Claims Act. The DOJ filed an amended complaint in July 2020, alleging the same causes of action but revising some of its allegations. In September 2020, Anthem filed a motion to transfer the lawsuit to the Southern District of Ohio, a motion to dismiss part of the lawsuit, and a motion to strike certain allegations in the amended complaint. The motions are fully briefed and no decision has been rendered. Anthem intends to continue to vigorously defend this suit; however, the ultimate outcome cannot be presently determined.

Cyber Attack Regulatory Proceedings and Litigation

In February 2015, Anthem reported that they were the target of a sophisticated external cyber attack during which the attackers gained unauthorized access to certain of their 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 have investigated events related to the cyber attack, including how it occurred, its consequences and Anthem's responses. In September 2020, Anthem entered into a settlement to resolve the investigation by a multi-state group of attorneys

general, which was the final outstanding matter related to the 2015 cyber attack. Anthem has undertaken commitments that align with their ongoing and consistent focus to protect information in addition to the monetary payment of $39,000,000, which was fully accrued in a prior period.

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 Anthem's 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.

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

The Company has no other known material contingencies.

Provisions for uncollectible amounts

At December 31, 2020 and 2019, the Company reported admitted assets of $6,111,154 and $13,255,377 respectively, in premium receivables and receivables due from uninsured plans. Based upon the Company's experience, any uncollectible receivables are not expected to exceed $2,145,083 that was nonadmitted at December 31, 2020; 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 2020 and 2019 was $1,281,434 and $1,090,964, respectively.

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(2) At December 31, 2020, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1	2021	$ 668,560
2	2022	688,620
3	2023	709,279
4	2024	730,561
5	2025	370,682
6	Total	$ 3,167,702

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

B. Lessor Leases

The Company has not entered into any operating 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, 2020, 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, 2020 and 2019.

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, 2020 the fair value of securities loaned was $10,165,739 and the carrying value of securities loaned was $9,214,805.

(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, 2020 and 2019, 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

Not applicable at December 31, 2020.

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B. Administrative Services Contract ("ASC") Plans

Not applicable at December 31, 2020.

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	2020	2019
Centers for Medicare and Medicaid Services	Cost share and reinsurance components of administered Medicare products	$ 19,775,377	$ 8,797,422
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	$ —	$ —

(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, 2020 and 2019.

20. Fair Value Measurements

A.

(1) Fair Value Measurements at Reporting Date:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
U.S. special revenues	—	1,269,158	—	—	1,269,158
Industrial and misc	—	3,433,660	—	—	3,433,660
Total bonds	$ —	$ 4,702,818	$ —	$ —	$ 4,702,818
Cash equivalents					
Industrial and miscellaneous money market funds	$15,000,000				$ 15,000,000
Total cash equivalents	$15,000,000	$ —	$ —	$ —	$ 15,000,000
Total assets at fair value/NAV	$15,000,000	$ 4,702,818	$ —	$ —	$ 19,702,818

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

There are no investments in Level 3 as of December 31, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS

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

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

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

Cash equivalents primarily consist of highly rated money market funds or bonds with original maturities of three months or less. Due to the high ratings and short-term nature, these investments are designated as Level 1. The Company also holds bonds purchased with less than three months to maturity. Fair value of these bonds are based on quoted market prices obtained from third party pricing services which generally use Level 1 or Level 2 inputs.

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, 2020 and 2019.

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	$329,838,330	$311,064,048	$ —	$329,838,330	$ —	$ —	$ —
Cash equivalents	15,000,000	15,000,000	15,000,000	—	—	—	—
Securities lending collateral asset	10,382,652	10,382,589	—	10,382,652	—	—	—

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.

NOTES TO FINANCIAL STATEMENTS

21. Other Items

A. Unusual or Infrequent Items

The spread of the COVID-19 virus caused significant financial market volatility, economic uncertainty, and interruptions to normal business activities. The ultimate impact to the Company is unknown, but management expects continued interruptions to day-to-day business activities, impacts to claim and premium activity, investment values, as well as possible impacts to liquidity.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2020 and 2019.

C. Other Disclosures

Assets in the amount of $56,351,118 and $68,122,623 at December 31, 2020 and 2019, respectively, were on deposit with government authorities or trustees as required by law.

D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2020 and 2019.

E. State Transferable and Non-Transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2020 and 2019.

F. Subprime Mortgage-Related Risk Exposure

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

(2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2020 or 2019.

(3) The Company did not have subprime mortgage-related risk exposure at December 31, 2020 or 2019.

(4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2020 or 2019.

G. Retained Assets

The Company does not have retained assets at December 31, 2020 and 2019.

H. Insurance-Linked Securities Contracts

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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 permanently suspended beginning in 2021.

		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	$ —	$ 17,985,713
C.	ACA fee assessment paid	$ 16,873,223	$ —
D.	Premium written subject to ACA 9010 assessment	$ —	$ 976,563,601
E.	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	$ 180,201,741	
F.	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus Line 22B above).	$ 180,201,741	
G.	Authorized Control Level (Five-Year Historical Line 15)	$ 33,554,285	
H.	Would reporting the ACA assessment as of December 31, 2020 have triggered an RBC action level (YES/NO)?	No	

Subsequent events have been considered through March 30, 2021 for the statutory statement issued on March 31, 2021. There were no events occurring subsequent to December 31, 2020 requiring recognition or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

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

Yes ( ) No (X)

If yes, give full details.

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

Yes ( ) No (X)

If yes, give full details.

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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.

$0

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

Yes ( ) No (X)

If yes, give full details.

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2020 and 2019.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2020 and 2019.

D. Certified Reinsurer Rating Downgraded or Status Subject Revocation

The Company has no downgraded certified reinsurer ratings or status subject to revocations during 2020 and 2019.

E. Reinsurance Credit

Not applicable.

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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, 2020 and 2019 that were subject to retrospective rating features was $949,546,071 and $975,505,447, respectively, which represented 99.9% and 99.9%, respectively, of the total net premiums written.

D. Not applicable**.**

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)	$ 1,357,284
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	$ 322
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premiums)	$ 848,309
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	$ 1,333,219
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	$ 73
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	$ —
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)	$ 8,264,120
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)	$ 1,011,253	$ —	$ 2,072,484	$ —	$(1,061,231)	$ —	$ 2,418,514	$ —	A	$ 1,357,283	$ —
2. Premium adjustments (payable) (including high risk pool premiums)	$ —	$2,241,299	$ —	$2,441,079	$ —	$ (199,780)	$ —	$ 477,682	B	$ —	$ 277,902
3. Subtotal ACA Permanent Risk Adjustment Program	$ 1,011,253	$2,241,299	$ 2,072,484	$2,441,079	$(1,061,231)	$ (199,780)	$ 2,418,514	$ 477,682		$ 1,357,283	$ 277,902
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	C	$ —	$ —
2. Amounts recoverable for claims unpaid (contra liability)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	D	$ —	$ —
3. Amounts receivable relating to uninsured plans	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	E	$ —	$ —
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	F	$ —	$ —
5. Ceded reinsurance premiums payable	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	G	$ —	$ —
6. Liability for amounts held under uninsured plans	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	H	$ —	$ —
7. Subtotal ACA Transitional Reinsurance Program	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —		$ —	$ —
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	$ —	$ —	$ 8,264,120	$ —	$(8,264,120)	$ —	$ 8,264,120	$ —	I	$ —	$ —
2. Reserve for rate credits or policy experience rating refunds	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	J	$ —	$ —
3. Subtotal ACA Risk Corridors Program	$ —	$ —	$ 8,264,120	$ —	$(8,264,120)	$ —	$ 8,264,120	$ —		$ —	$ —
d. Total for ACA Risk Sharing Provisions	$ 1,011,253	$2,241,299	$10,336,604	$2,441,079	$(9,325,351)	$ (199,780)	$10,682,634	$ 477,682		$ 1,357,283	$ 277,902

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 2019 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 2019 Benefit Year."

C Not applicable.

D Not applicable.

E Not applicable.

F Not applicable.

G Not applicable.

H Not applicable.

I As a result of the United States Supreme Court decision on April 27, 2020 in Maine Community Health Options v. United States, the Company received additional payment from CMS for amounts due that were previously written-off.

J Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before 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	Ref	9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		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	$ —	$ —	$ 8,264,120	$ —	$(8,264,120)	$ —	$ 8,264,120	$ —	E	$ —	$ —
2. Reserve for rate credits for policy experience rating refunds	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	F	$ —	$ —
d. Total for Risk Corridors	$ —	$ —	$ 8,264,120	$ —	$(8,264,120)	$ —	$ 8,264,120	$ —		$ —	$ —

Explanations of adjustments

A Not applicable.

B Not applicable.

C Not applicable.

D Not applicable.

E As a result of the United States Supreme Court decision on April 27, 2020 in Maine Community Health Options v. United States, the Company received additional payment from CMS for amounts due that were previously written-off.

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	$ 8,305,585	$ 41,465	$ 8,264,120	$ —	$ —	$ —
d. Total (a + b + c)	$ 8,305,585	$ 41,465	$ 8,264,120	$ —	$ —	$ —

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 increased by $13,725,032 during 2020. This is approximately 14.0% of unpaid claims and claim adjustment expenses of $97,767,461 as of December 31, 2019. The deficiency reflects the increases 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 2020. 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, 2020 and 2019.

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

Not applicable at December 31, 2020 and 2019.

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

During 2020, the Company sold $16,574,463 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 $87,872 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
12/31/2020	$ 6,790,234	$ —	$ —	$ —	$ —
9/30/2020	4,892,357	16,005,136	—	—	—
6/30/2020	6,681,633	14,207,916	9,601,248	—	—
3/31/2020	10,587,094	13,050,284	11,867,905	—	—
12/31/2019	17,235,073	13,662,873	608,125	—	13,021,949
9/30/2019	16,781,529	13,463,420	9,151,880	7,808	12,706,834
6/30/2019	16,800,208	13,031,895	277,580	12,672,321	30,251
3/31/2019	16,395,648	12,982,569	237,204	12,777,773	71,851
12/31/2018	15,279,650	12,464,619	214,038	12,278,619	47,708
9/30/2018	15,672,133	12,127,138	8,118,517	4,094,821	51,819
6/30/2018	15,363,986	12,169,921	176,177	12,063,354	59,705
3/31/2018	14,764,935	11,169,682	145,096	11,097,121	64,388

B. Risk Sharing Receivables

Not applicable at December 31, 2020 and 2019.

29. Participating Policies

Not applicable at December 31, 2020 and 2019.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	$ 17,640,697	
2. Date of the most recent evaluation of this liability	December 31, 2020	
3. Was anticipated investment income utilized in the calculation?	Yes ____	No X

The Company recorded premium deficiency reserves of $50,752,800 at December 31, 2019.

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 $2,794,000 and $2,104,000 at December 31, 2020 and 2019, 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? ..... New York

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. 12/31/2019

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. 12/31/2016

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). 10/16/2018

3.4 By what department or departments?
New York State Department of Financial Services .....

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [X]

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

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

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

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... 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?
Mark Justus, FSA, MAAA, Director & Actuary III (officer and employee): 3350 Peachtree Road, 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 $ 0
- 21.22 Borrowed from others $ 0
- 21.23 Leased from others $ 0
- 21.24 Other $ 0

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

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $ (168,872)
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

INVESTMENT

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

24.02 If no, give full and complete information relating thereto

24.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
See Notes 5E and 17.

24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. $ 10,382,589

24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. $

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

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

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

GENERAL INTERROGATORIES

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

24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 10,382,652
24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 10,382,589
24.093 Total payable for securities lending reported on the liability page. $ 10,382,589

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 $ 56,351,118
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 [X]

26.4 If the response to 26.3 is YES, does the reporting entity utilize:
26.41 Special accounting provision of SSAP No. 108 Yes [ ] No [ ]
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
MacKay Shields LLC	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
107717	MacKay Shields LLC	549300Y7LLCOFU7R8H16	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	311,064,048	329,838,330	18,774,282
30.2 Preferred stocks	0		0
30.3 Totals	311,064,048	329,838,330	18,774,282

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 [ ] No [X]

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

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

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

36. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a - 36.c are reported as long-term investments.
Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [ ] No [X] N/A [ ]

GENERAL INTERROGATORIES

OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 54,083

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

1 Name	2 Amount Paid
Blue Cross Blue Shield Association	54,083

38.1 Amount of payments for legal expenses, if any? $ 2,002,254

38.2 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
Omelveny & Myers	1,131,755

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 88,084

39.2 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
Hinman Straub	73,111
Pitta Bishop Del Giorno & Giblin LLC	14,973

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2020 Annual Statement."

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

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

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

1.31 Reason for excluding

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

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

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	949,604,393	975,799,152
2.2	Premium Denominator	949,604,393	975,799,152
2.3	Premium Ratio (2.1/2.2)	1.000	1.000
2.4	Reserve Numerator	167,707,129	149,392,269
2.5	Reserve Denominator	162,707,129	149,392,269
2.6	Reserve Ratio (2.4/2.5)	1.031	1.000

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

3.2 If yes, give particulars:

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

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

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

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

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical $ 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. has agreed to assume all contractual and financial obligations of the Company. All provider contracts contain appropriate hold harmless provisions.

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

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 98,503

8.2 Number of providers at end of reporting year 110,802

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 $ 21,929,771
10.22 Amount actually paid for year bonuses $ 7,031,323
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. New York
11.4 If yes, show the amount required. $ 118,700,549
11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [X] No [ ]
11.6 If the amount is calculated, show the calculation
Please see attached Report 16A from the Company's Supplement.

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

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

13.1 Do you act as a custodian for health savings accounts? Yes [ ] No [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 .....$ 0
15.2 Total Incurred Claims .....$ 0
15.3 Number of Covered Lives 0

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

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

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

NEW YORK SUPPLEMENT FOR THE YEAR 2020 OF THE Empire HealthChoice HMO, Inc.

REPORT #16A

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

I. Escrow Deposit

1.	Projected 2020 Hospital and Medical Expenses (12/31/19 NY Supplement, page NY6, ln. 16, col. 9)	858,494,354
2.	Escrow Deposit Requirement (5% of projected 2020 hospital and medical expenses) [a]	42,924,718

(a) Department of Health Regulation 10 NYCRR 98-1.11(f), amended effective 6/29/05, requires the HMO to establish an escrow account in the form of a trust account with a custodian, for which a deed of trust has been approved by the superintendent. Also, based on the added pharmacy benefits to the Medicaid, and HIV SNP benefits packages on October 1, 2011, MCO's must include 100% of the projected pharmacy expenses in the calculation of the 5% escrow requirement that must be on deposit, as of March 31, 2020. Details of the account should be reported in the NAIC Health Blank, Schedule E – Part 3, Special Deposits.

II. Contingent Reserve*

1.	Direct Business (NAIC Health Blank, page 8, Underwriting & Investment Part 1 - Premiums, ln. 12, col. 1)		949,604,393
2.	Approved Reinsurance Ceded (Report #16B, col. 2) [b]		0
3.	Net Premium Income (Net of approved reinsurance) for: *		
	3.i) All lines of business EXCEPT: Essential Plan, FIDA, Medicaid Managed Care, Medicaid Advantage, HARP, MLTC Program (MLTC-Partial, Medicaid Advantage Plus ("MAP"), PACE) and HIV SNP (pages NY7-NY9, ln. 2.5, all columns EXCEPT: cols. 33, 35, 37, 41, 43, 45)		949,604,393
	3.ii) Essential Plan, HARP, Medicaid Managed Care, Medicaid Advantage and HIV SNP programs (pages NY8-NY9, ln. 2.5, cols. 33, 35, 41, 43)	0	
	LESS: Value Based Payment ("VBP") Supplemental Programs		0
	3.iii) MLTC Program (MLTC-Partial, MAP, PACE) (page NY9, ln. 2.5, col. 37)	0	
	3.iv) FIDA (page NY9, ln. 2.5, col. 45)		0
4.	Contingent Reserve, not including the 2% Point of Service Contingent Reserve Requirement.[c]		118,700,549
5.	2% Point of Service Contingent Reserve Requirement.[d]		
6.	Total Contingent Reserve (lns. 4+5 should equal page NY3, ln. 30.11, col. 3).		118,700,549
7.	Escrow Deposit, after offset of the Contingent Reserve (ln. 1 less ln. 4; minimum of $0, should equal page NY3, ln. 30.12, col. 3)		0
8.	Total minimum Net Worth (ln. 6+7; should equal page NY3, ln. 30.13, col. 3)		118,700,549

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

(b) This entry will equal Net Premium Income, Page NY4, Line 2.5 only if all reinsurance contracts have been approved by the Department of Financial Services.

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

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

For HMO's certified after June 29, 2005:
If as of 12/31/2020, the HMO has not been certified for a full calendar year, then Line 4 equals 5% of projected premium revenue for the first full year of calendar year operations, i.e., 5% of Page NY6, Line 2.5, column 9 to which the HMO is to add back reinsurance premiums ceded pursuant to a reinsurance contract that has not been approved by the Department of Financial Services.

If as of 12/31/2020, the HMO has been certified for at least one full calendar year, then Line 4 is determined in accordance with the following schedule:

The provisions below pertain to the contingent reserve for the Essential Plan, FIDA, Medicaid Managed Care, Medicaid Advantage, HARP, HIV SNP, and MLTC.

Completed Calendar Years of Operations	Line 4 should include This Percent of the amount of Premium in Line 3(i).	PLUS	For Calendar Year Ending	Line 4 should include the Percent of the amount of Premium in Line 3(ii).	PLUS	Line 4 should include the Percent of the amount of Premium in Line 3(iii)	PLUS	Line 4 should include the Percent of the amount of Premium in Line 3(iv).
1 year	5%		2020	7.25%		5.00%		6.25%
2 years	6.50%		2021	8.25%		5.00%		6.25%
3 years	7.50%		2022	9.25%		5.00%		6.25%
4 years	8.50%		2023	10.25%		5.00%		6.25%
5 years	9.50%		2024	11.25%		5.00%		6.25%
6 years	10.50%		2025	12.25%		5.00%		6.25%
7 years	11.50%		2026	12.5%		5.00%		6.25%
8 or more years	12.50%		After 2026	12.5%		5.00%		6.25%

FIVE-YEAR HISTORICAL DATA

	1 2020	2 2019	3 2018	4 2017	5 2016
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	425,392,401	408,659,367	434,637,489	525,218,643	616,060,104
2. Total liabilities (Page 3, Line 24)	245,190,660	251,503,597	247,626,320	321,619,879	392,128,262
3. Statutory minimum capital and surplus requirement	118,700,549	121,974,894	123,793,739	160,381,882	172,139,658
4. Total capital and surplus (Page 3, Line 33)	180,201,741	157,155,770	187,011,169	203,598,764	223,931,842
Income Statement (Page 4)					
5. Total revenues (Line 8)	952,467,973	977,590,457	992,094,189	1,284,582,226	1,381,418,784
6. Total medical and hospital expenses (Line 18)	841,246,491	876,447,151	903,958,825	1,237,993,483	1,222,790,408
7. Claims adjustment expenses (Line 20)	54,590,226	48,371,555	40,621,164	49,806,835	57,068,382
8. Total administrative expenses (Line 21)	92,710,145	72,678,660	91,968,152	95,110,160	110,394,842
9. Net underwriting gain (loss) (Line 24)	(2,966,786)	(61,622,947)	(23,482,197)	(84,099,467)	(15,378,939)
10. Net investment gain (loss) (Line 27)	11,142,065	11,326,043	9,810,633	12,355,806	14,862,555
11. Total other income (Lines 28 plus 29)	(399,049)	(817,763)	(774,037)	(955,330)	(2,241,985)
12. Net income or (loss) (Line 32)	10,156,172	(41,118,044)	(15,792,130)	(38,392,110)	(7,981,910)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	20,658,329	20,522,575	(30,471,870)	(78,961,304)	(66,368,367)
Risk-Based Capital Analysis					
14. Total adjusted capital	180,201,741	157,155,770	187,011,169	203,598,764	223,931,842
15. Authorized control level risk-based capital	33,554,285	34,622,636	35,382,253	48,499,594	49,134,097
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	73,879	82,107	85,513	134,609	141,662
17. Total members months (Column 6, Line 7)	898,761	993,051	1,036,507	1,650,248	1,820,544
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)	88.3	89.7	91.1	96.4	88.5
20. Cost containment expenses	3.8	3.2	2.5	2.5	2.6
21. Other claims adjustment expenses	2.0	1.8	1.6	1.3	1.5
22. Total underwriting deductions (Line 23)	100.3	106.3	102.4	106.5	101.1
23. Total underwriting gain (loss) (Line 24)	(0.3)	(6.3)	(2.4)	(6.5)	(1.1)
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	103,502,823	85,190,486	142,237,351	136,808,069	176,554,929
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	95,760,344	94,128,595	154,237,097	166,119,736	197,357,341
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0			
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0			
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)		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

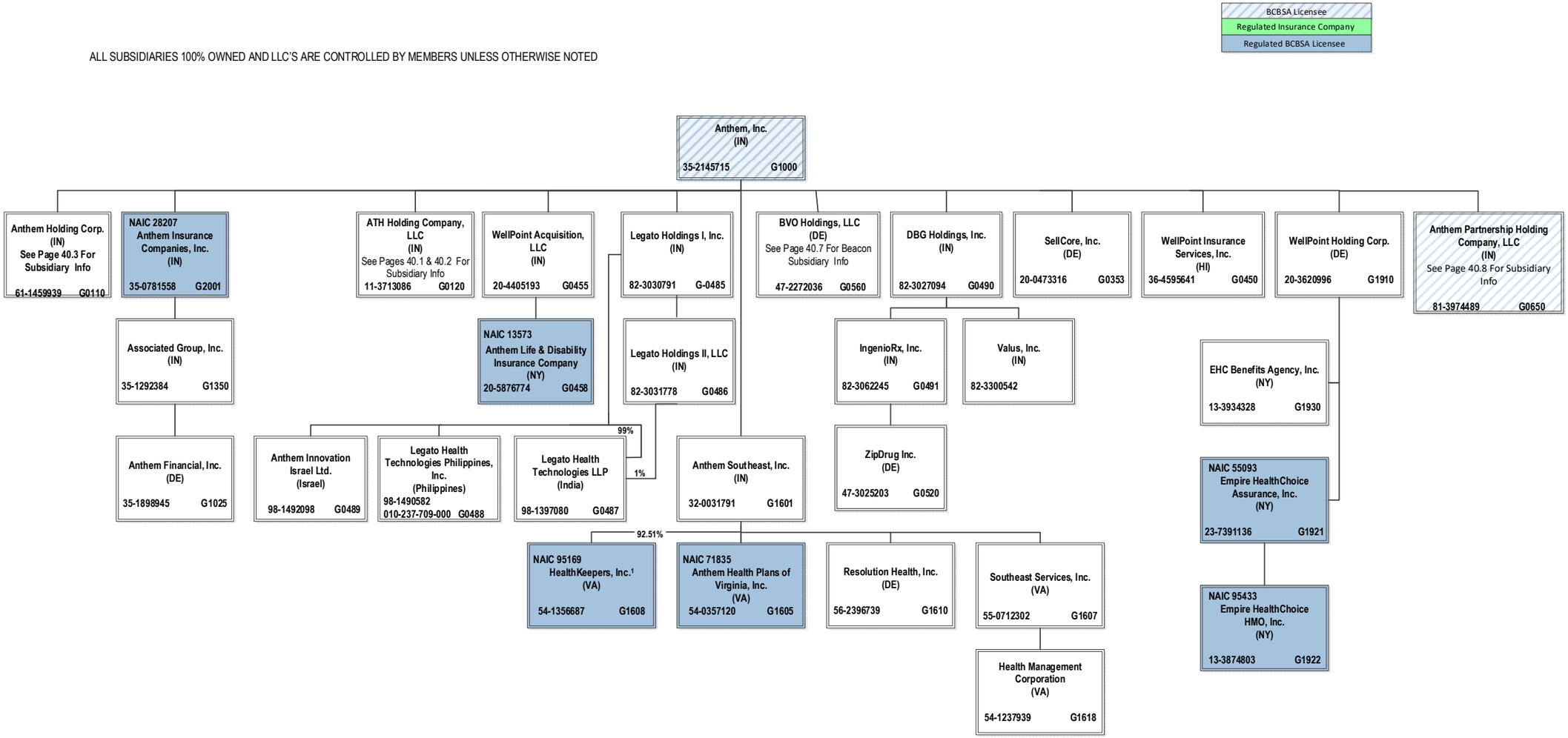
	1	Direct Business Only							
		2	3	4	5	6	7	8	9
States, etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type 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		52,448,648					52,448,648	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	L	39,138,553	858,017,192					897,155,745	
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	39,138,553	910,465,840	0	0	0	0	949,604,393	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	XXX	39,138,553	910,465,840	0	0	0	0	949,604,393	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 2
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 55

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

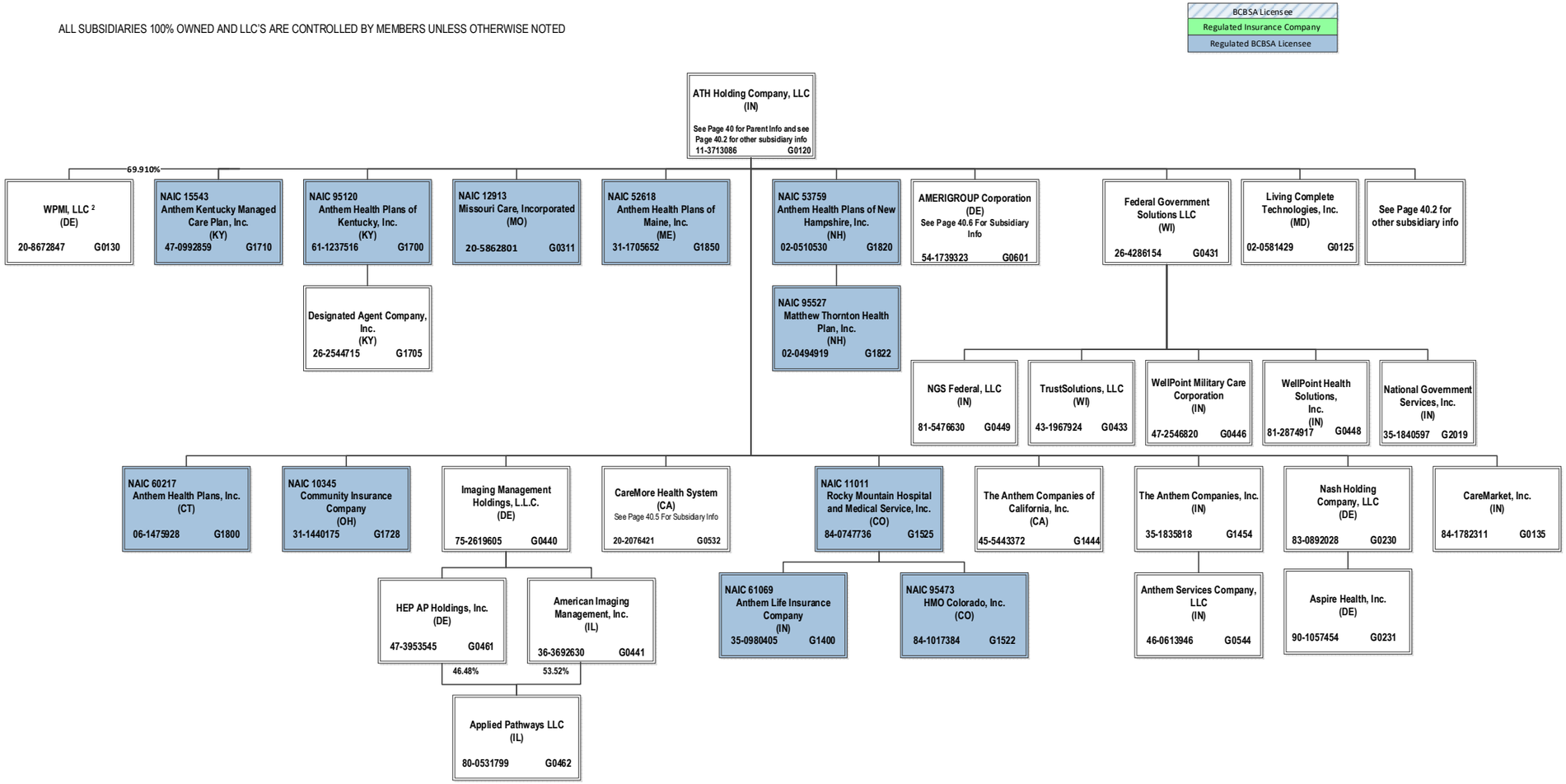
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART



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

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

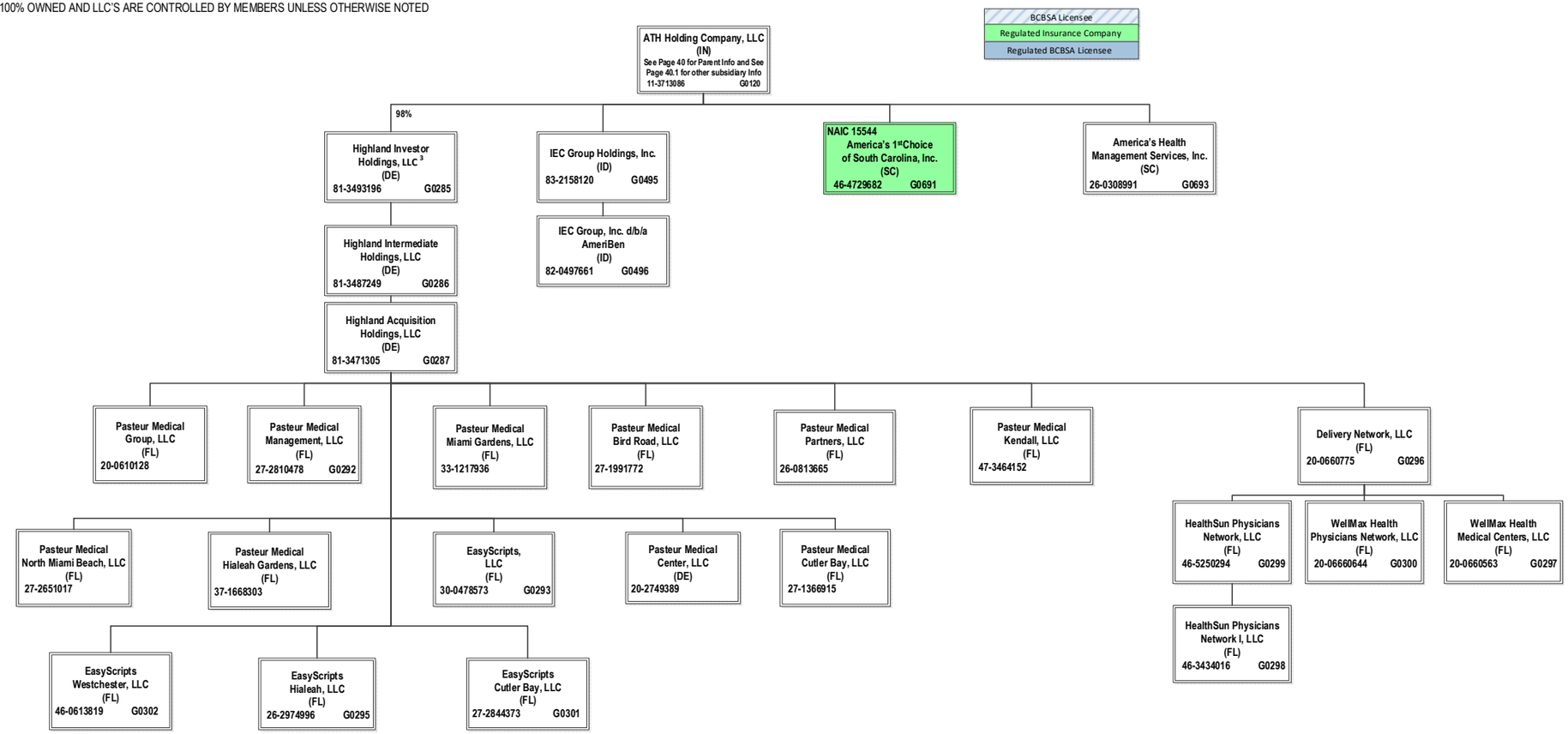
ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



[2] 30.09% of WPMI, LLC is owned by unaffiliated investors

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



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

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

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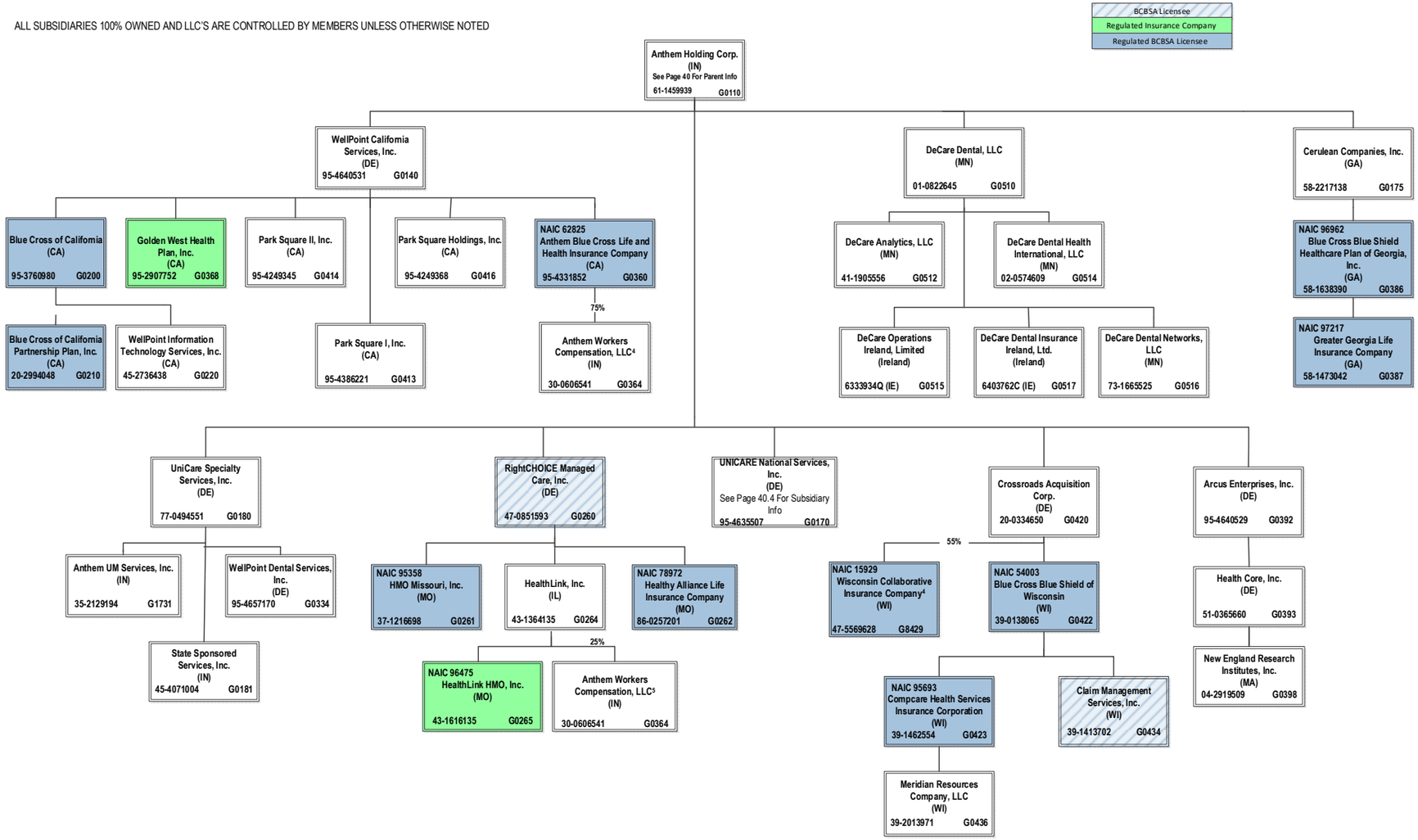

[4] 45% of WCIC is owned by Aurora Health Care, Inc. (non-affiliate). Not consolidated for accounting purposes.

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

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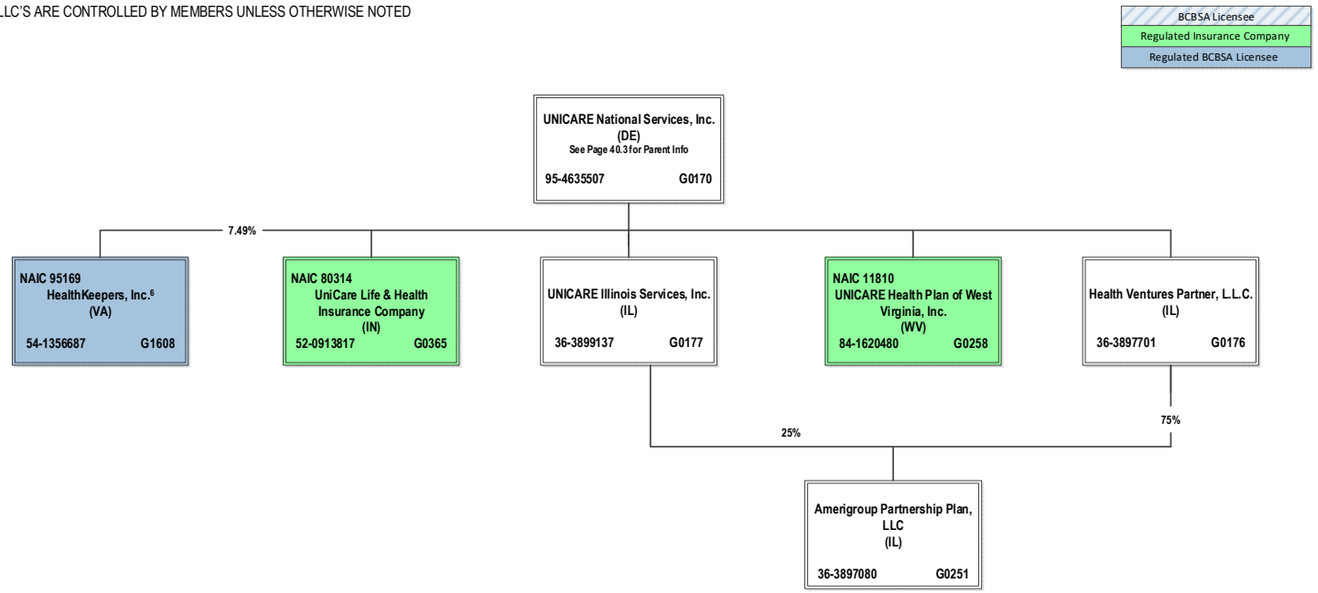

[6] HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
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BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

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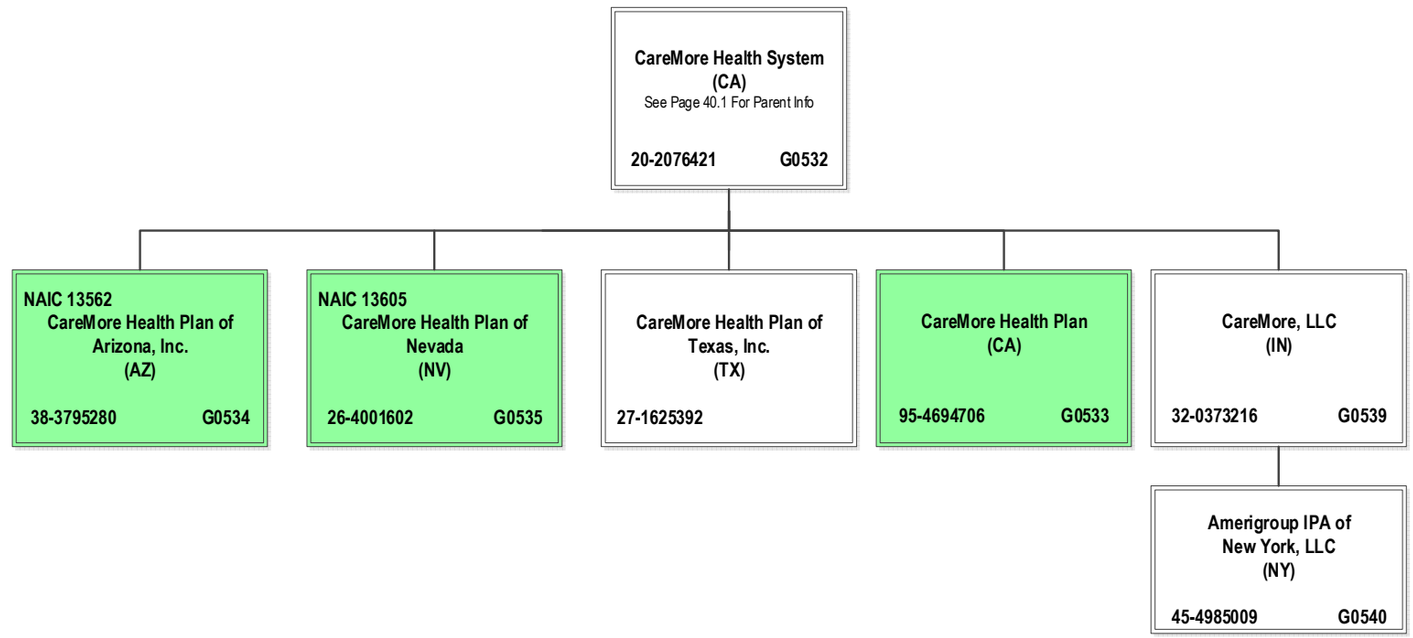

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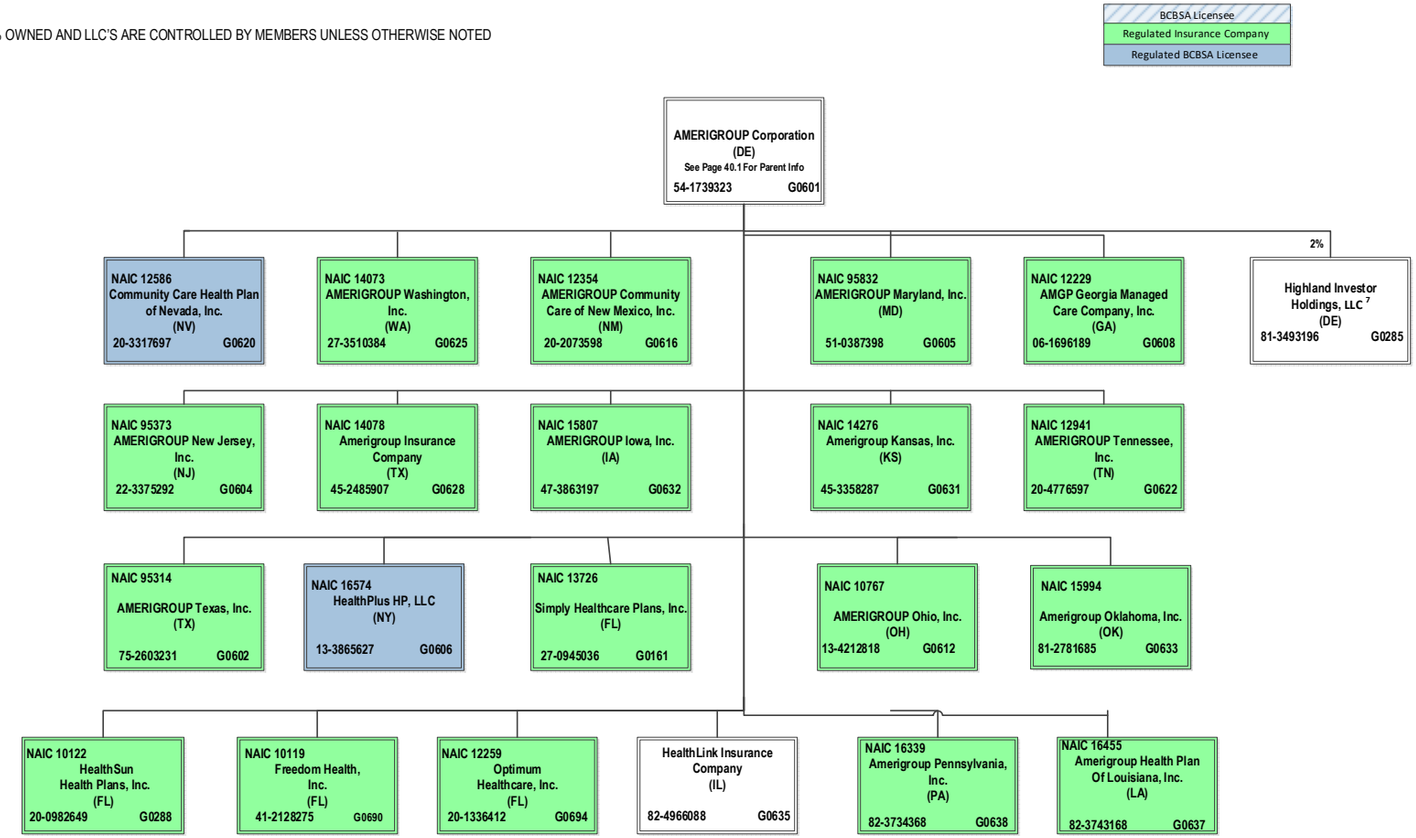
ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



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

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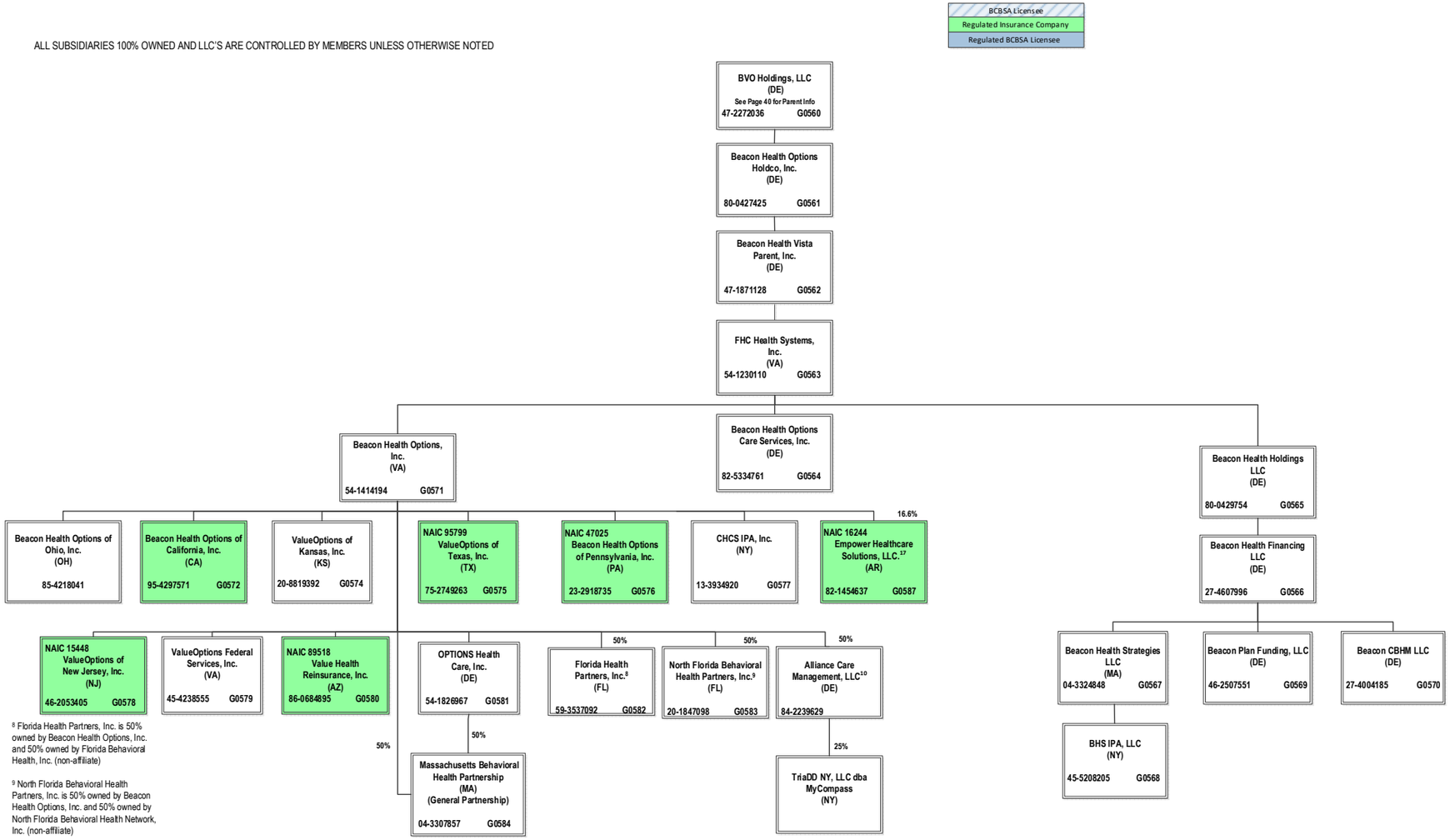

[8] Florida Health Partners, Inc. is 50% owned by Beacon Health Options, Inc. and 50% owned by Florida Behavioral Health, Inc. (non-affiliate)

[9] North Florida Behavioral Health Partners, Inc. is 50% owned by Beacon Health Options, Inc. and 50% owned by North Florida Behavioral Health Network, Inc. (non-affiliate)

[10] Alliance Care Management, LLC is 50% owned by Beacon Health Options, Inc. and 50% owned by HealthPlus HP, LLC.

[17] Empower Healthcare Solutions, LLC (AR) is owned 16.6% by Beacon Health Options, Inc. and 83.4% by (non-affiliates)

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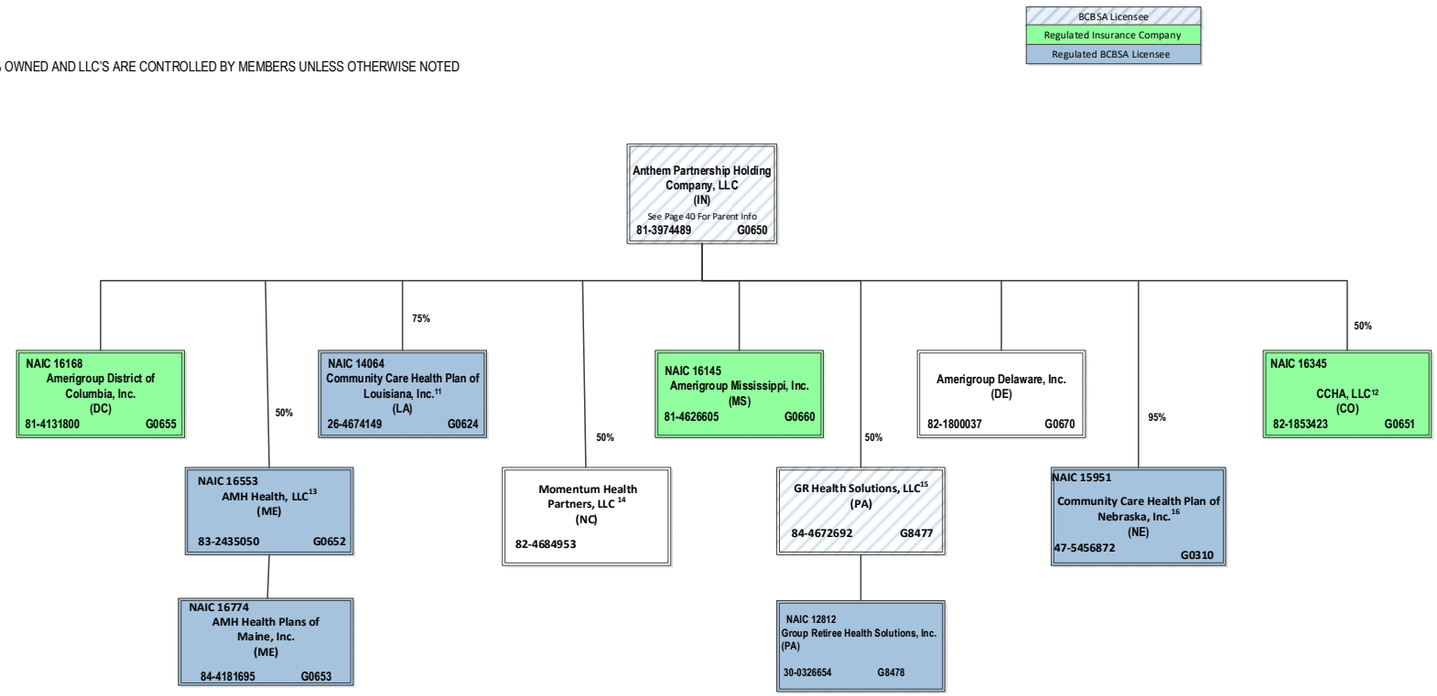

[11] Community Care Health Plan of Louisiana, Inc. is a joint venture 75% owned by Anthem Partnership Holding Company, LLC and 25% owned by Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana (non-affiliate)

[12] 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)

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

[14] 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)

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

[16] Anthem Partnership Holding Company, LLC holds a 95% interest in Community Care Health Plan of Nebraska, Inc., and Blue Cross and Blue Shield of Nebraska, Inc. (non-affiliate) holds the remaining 5%

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	4,437,510	3,189,133	1,248,377	2,643,363
2505.	Miscellaneous Receivables	805,347	3,485	801,862	
2506.	City Income Tax Recoverable	542,192		542,192	510,375
2507.	Stop Loss Receivables (NY Regulation 4321, 4322 & 4327)	194,103		194,103	1,616,037
2508.	Blue Card Program Receivables	203,342	86,981	116,361	9,008
2509.	State Income Tax Recoverable			0	235,938
2597.	Summary of remaining write-ins for Line 25 from overflow page	6,182,494	3,279,599	2,902,895	5,014,721

Additional Write-ins for Liabilities Line 23

		Current Year			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
2304.	Miscellaneous Liability	261,456		261,456	704,248
2305.	Out of Area Program Payable	180,000		180,000	383,056
2397.	Summary of remaining write-ins for Line 23 from overflow page	441,456	0	441,456	1,087,304