



HEALTH QUARTERLY STATEMENT

As of June 30, 2019
of the Condition and Affairs of the

USable Mutual Insurance Company

NAIC Group Code.....876, 876 (Current Period) (Prior Period) NAIC Company Code..... 83470 Employer's ID Number..... 71-0226428

Organized under the Laws of Arkansas State of Domicile or Port of Entry Arkansas Country of Domicile US

Licensed as Business Type Life, Accident & Health Is HMO Federally Qualified? Yes [] No []

Incorporated/Organized..... December 10, 1948 Commenced Business..... March 2, 1949

Statutory Home Office 601 S. Gaines .. Little Rock .. AR .. US .. 72201
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 601 S. Gaines .. Little Rock .. AR .. US .. 72201 501-378-2000
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 601 S. Gaines .. Little Rock .. AR .. US .. 72201
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 601 S. Gaines .. Little Rock .. AR .. US .. 72201 501-378-2000
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.arkansasbluecross.com

Statutory Statement Contact Scott Bradley Winter 501-399-3951
(Name) (Area Code) (Telephone Number) (Extension)
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(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Curtis Edwin Barnett	President / CEO	2. Calvin Eugene Kellogg	EVP / Chief Strategy Officer
3. Gray Donald Dillard	Treasurer / CFO	4. Timothy Gerard Gauger	Secretary

OTHER

Stephen William Abell	James Robert Bailey
Alicia Marie Berkemeyer	Judy Dawn Blevins
James Daniel Bloodworth	David Frank Bridges
Richard Shelby Cooper	Victor Pratt Davis
Ronald Walter DeBerry	Matthew Richard Flora
Kimberly Ann Henderson	Harvey David Jacobson
Anthony Marcus James	David Bryan Martin
Connie Annelle Meeks	Hal Jackson Norman
Kathleen O'Dea Ryan	Wendy Womack See
Philip Eugene Sherrill	Steven Aaron Spaulding
Joanna Maria Thomas	Scott Bradley Winter

DIRECTORS OR TRUSTEES

Curtis Edwin Barnett	Susan Glover Brittain	Robert Vincent Brothers	Mark William Greenway
James Virgil Kelley	Mahlon Ogden Maris MD	Carla Marie Martin	James Thomas May
Robert Daniel Nabholz	Marla Kay Johnson	Ben Edwin Owens	Robert Lee Shoptaw
Sherman Ellis Tate	Rex Moreland Terry	Paul Mark White	

State of..... Arkansas
County of..... Pulaski

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.

_____ (Signature) Curtis Edwin Barnett 1. (Printed Name) President / CEO (Title)	_____ (Signature) Calvin Eugene Kellogg 2. (Printed Name) EVP / Chief Strategy Officer (Title)	_____ (Signature) Gray Donald Dillard 3. (Printed Name) Treasurer / CFO (Title)
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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 Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	715,409,631		715,409,631	685,403,413
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	239,836,913		239,836,913	226,494,090
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	52,349,193		52,349,193	52,222,305
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	6,828,090		6,828,090	6,815,844
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....59,384,545), cash equivalents (\$.....75,085,098) and short-term investments (\$.....104,213,094).....	238,682,737		238,682,737	196,887,883
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....	207,359,602		207,359,602	201,004,379
9. Receivables for securities.....	15,000,000		15,000,000	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	3,375,885	0	3,375,885	3,453,292
12. Subtotals, cash and invested assets (Lines 1 to 11).....	1,478,842,051	0	1,478,842,051	1,372,281,206
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	5,460,521		5,460,521	5,195,883
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....148,082,163) and contracts subject to redetermination (\$.....3,908,691).....	151,990,854	2,295,817	149,695,036	139,134,883
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	3,348,993		3,348,993	3,912,250
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.....	84,030,516	1,015,114	83,015,402	65,893,055
18.1 Current federal and foreign income tax recoverable and interest thereon.....	13,697,441		13,697,441	8,146,512
18.2 Net deferred tax asset.....	45,770,879		45,770,879	33,569,159
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	10,410,781	6,237,206	4,173,574	6,042,976
21. Furniture and equipment, including health care delivery assets (\$.....0).....	30,602,280	30,602,280	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	12,284,706	1,790,569	10,494,137	11,515,000
24. Health care (\$.....28,188,658) and other amounts receivable.....	63,986,555	8,613,385	55,373,170	62,356,580
25. Aggregate write-ins for other than invested assets.....	85,238,938	42,629,915	42,609,023	39,257,458
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,985,664,515	93,184,286	1,892,480,229	1,747,304,961
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	1,985,664,515	93,184,286	1,892,480,229	1,747,304,961

DETAILS OF WRITE-INS

1101. Deposits with National Accounts.....	3,375,885		3,375,885	3,453,292
1102.			0	
1103.			0	
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).....	3,375,885	0	3,375,885	3,453,292
2501. Supplemental Savings Plan.....	42,275,365		42,275,365	38,956,717
2502. Other Assets.....	333,658		333,658	300,741
2503. Other Non-Admitted Assets.....	42,629,915	42,629,915	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	85,238,938	42,629,915	42,609,023	39,257,458

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....6,378,081 reinsurance ceded).....	248,356,426	509,939	248,866,365	200,536,836
2. Accrued medical incentive pool and bonus amounts.....	5,117,433		5,117,433	6,363,732
3. Unpaid claims adjustment expenses.....	6,050,212		6,050,212	6,442,803
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....	127,983,011		127,983,011	132,350,868
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....	43,215,694		43,215,694	30,648,261
9. General expenses due or accrued.....	366,376,032		366,376,032	396,842,462
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)).....			0	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....	4,391,967		4,391,967	4,231,752
12. Amounts withheld or retained for the account of others.....	52,587,103		52,587,103	47,440,754
13. Remittances and items not allocated.....	8,919,168		8,919,168	1,064,794
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....	457,509		457,509	1,098,024
16. Derivatives.....			0	
17. Payable for securities.....	31,448,755		31,448,755	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....	64,907,523		64,907,523	67,767,650
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	21,865,787	0	21,865,787	21,971,594
24. Total liabilities (Lines 1 to 23).....	981,676,619	509,939	982,186,558	916,759,531
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX		
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	910,293,672	830,545,432
32. Less treasury stock, at cost:				
32.1 .....0.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	910,293,672	830,545,432
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	1,892,480,230	1,747,304,962

DETAILS OF WRITE-INS

2301. Deferred Gain on Capitalization of joint venture.....	19,617,685		19,617,685	19,617,685
2302. Miscellaneous.....	2,248,102		2,248,102	2,353,909
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	21,865,787	0	21,865,787	21,971,594
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	0
3001.				
3002.				
3003.				
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member months.....	XXX	3,703,783	3,921,480	7,739,589
2. Net premium income (including \$.....0 non-health premium income).....	XXX	1,204,762,491	1,273,740,060	2,481,886,532
3. Change in unearned premium reserves and reserve for rate credits.....	XXX	3,572,599	(2,820,586)	(1,660,432)
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX			
5. Risk revenue.....	XXX			
6. Aggregate write-ins for other health care related revenues.....	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX	1,208,335,089	1,270,919,474	2,480,226,100
Hospital and Medical:				
9. Hospital/medical benefits.....		593,671,572	570,704,921	1,116,050,358
10. Other professional services.....		23,677,974	20,362,795	41,283,042
11. Outside referrals.....		11,073,680	14,424,688	28,141,302
12. Emergency room and out-of-area.....		104,724,465	125,257,885	250,371,934
13. Prescription drugs.....		232,675,707	245,379,517	504,926,292
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		5,642,529	5,330,639	15,240,454
16. Subtotal (Lines 9 to 15).....	0	971,465,927	981,460,447	1,956,013,381
Less:				
17. Net reinsurance recoveries.....		(20,577,271)	(27,317,378)	(53,081,641)
18. Total hospital and medical (Lines 16 minus 17).....	0	992,043,197	1,008,777,825	2,009,095,022
19. Non-health claims (net).....				
20. Claims adjustment expenses, including \$.....3,618,134 cost containment expenses.....		45,536,158	41,309,708	97,996,875
21. General administrative expenses.....		103,987,924	170,332,817	388,768,746
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only).....			(1,080,966)	(2,161,932)
23. Total underwriting deductions (Lines 18 through 22).....	0	1,141,567,280	1,219,339,384	2,493,698,711
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	66,767,810	51,580,090	(13,472,612)
25. Net investment income earned.....		13,389,609	10,480,062	24,459,334
26. Net realized capital gains (losses) less capital gains tax of \$.....129,258.....		486,258	12,829,912	11,987,775
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	13,875,867	23,309,974	36,447,109
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)].....				
29. Aggregate write-ins for other income or expenses.....	0	326,326	317,152	2,646,386
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	80,970,002	75,207,215	25,620,883
31. Federal and foreign income taxes incurred.....	XXX	27,319,813	22,942,889	46,951,312
32. Net income (loss) (Lines 30 minus 31).....	XXX	53,650,189	52,264,326	(21,330,429)

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	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX	0	0	0
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901. Miscellaneous Income/Expense.....		334,331	317,152	2,647,320
2902. State Tax Expense.....		(8,005)		(934)
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	326,326	317,152	2,646,386

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
33. Capital and surplus prior reporting year.....	830,545,434	866,336,545	866,336,545
34. Net income or (loss) from Line 32.....	53,650,189	52,264,326	(21,330,429)
35. Change in valuation basis of aggregate policy and claim reserves.....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0.....	21,372,840	(12,052,207)	(4,676,050)
37. Change in net unrealized foreign exchange capital gain or (loss).....			
38. Change in net deferred income tax.....	11,573,748	4,090	32,981,317
39. Change in nonadmitted assets.....	(7,218,943)	(18,202,640)	(43,449,469)
40. Change in unauthorized and certified reinsurance.....			
41. Change in treasury stock.....			
42. Change in surplus notes.....			
43. Cumulative effect of changes in accounting principles.....			
44. Capital changes:			
44.1 Paid in.....			
44.2 Transferred from surplus (Stock Dividend).....			
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in.....			
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.....	370,405	314,631	683,521
48. Net change in capital and surplus (Lines 34 to 47).....	79,748,240	22,328,201	(35,791,110)
49. Capital and surplus end of reporting period (Line 33 plus 48).....	910,293,675	888,664,746	830,545,434

DETAILS OF WRITE-INS

4701. Capital Lease Adjustment.....	370,405	314,631	683,521
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	370,405	314,631	683,521

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	1,207,915,196	1,291,041,819	2,515,736,677
2. Net investment income.....	17,854,716	15,655,874	28,290,967
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	1,225,769,911	1,306,697,693	2,544,027,644
5. Benefit and loss related payments.....	938,669,746	981,232,082	2,027,350,048
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	200,439,690	122,386,419	328,315,823
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.00 tax on capital gains (losses).....	33,000,000	0	49,894,072
10. Total (Lines 5 through 9).....	1,172,109,436	1,103,618,500	2,405,559,944
11. Net cash from operations (Line 4 minus Line 10).....	53,660,475	203,079,192	138,467,700
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	62,718,306	187,480,634	366,201,225
12.2 Stocks.....	1,608,383	38,702,166	40,682,671
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....	901,228		1,772,324
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			(23,687)
12.7 Miscellaneous proceeds.....	31,526,162	2,209,810	63,075
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	96,754,079	228,392,610	408,695,608
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	93,832,674	246,412,971	456,744,356
13.2 Stocks.....	2,801,199	1,704,991	3,143,066
13.3 Mortgage loans.....			
13.4 Real estate.....	3,312,356	4,922,663	9,321,980
13.5 Other invested assets.....	779,386	63,000,000	65,509,733
13.6 Miscellaneous applications.....	15,000,000	2,479,278	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	115,725,615	318,519,902	534,719,135
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(18,971,536)	(90,127,292)	(126,023,527)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	7,105,915	(16,260,530)	4,165,150
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	7,105,915	(16,260,530)	4,165,150
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	41,794,855	96,691,371	16,609,323
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	196,887,881	180,278,558	180,278,558
19.2 End of period (Line 18 plus Line 19.1).....	238,682,736	276,969,929	196,887,881

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

20.0001			
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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
	Total	2 Individual	3 Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at End of:										
1. Prior Year.....	618,679	198,714	128,820	119,685	29,083	51,682	65,882	12,449		12,364
2. First Quarter.....	616,276	202,881	119,418	119,422	30,759	50,779	70,852	9,457		12,708
3. Second Quarter.....	613,611	200,584	118,297	119,489	31,692	49,716	70,666	9,272		13,895
4. Third Quarter.....	0									
5. Current Year.....	0									
6. Current Year Member Months.....	3,703,783	1,218,693	718,165	717,004	186,109	304,944	424,651	56,569		77,648
Total Member Ambulatory Encounters for Period:										
7. Physician.....	1,489,625	175,921	51,614	1,067,450		194,640				
8. Non-Physician.....	1,370,871	199,286	84,631	1,086,954						
9. Total.....	2,860,496	375,207	136,245	2,154,404	0	194,640	0	0	0	0
10. Hospital Patient Days Incurred.....	190,717	40,022	9,877	140,818						
11. Number of Inpatient Admissions.....	28,120	9,086	2,577	16,457						
12. Health Premiums Written (a).....	1,180,711,032	533,117,541	277,199,010	131,442,156	4,118,316	25,917,509	139,294,056	52,552,977		17,069,467
13. Life Premiums Direct.....	0									
14. Property/Casualty Premiums Written.....	0									
15. Health Premiums Earned.....	1,184,283,631	533,117,647	277,203,873	133,969,133	4,118,316	25,997,382	140,255,064	52,552,977		17,069,238
16. Property/Casualty Premiums Earned.....	0									
17. Amount Paid for Provision of Health Care Services.....	923,578,166	389,096,592	212,072,183	113,307,482	3,513,565	18,266,673	126,969,889	47,031,952		13,319,830
18. Amount Incurred for Provision of Health Care Services.....	971,465,925	445,460,914	203,579,387	114,375,321	3,513,565	18,277,723	126,659,216	45,686,011		13,913,788

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(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees \$....52,552,977.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
Claims Unpaid (Reported)						
0399999. Aggregate Accounts Not Individually Listed-Covered.....	42,844,344	94,035	17,742	32,514		42,988,634
0499999. Subtotals.....	42,844,344	94,035	17,742	32,514	0	42,988,634
0599999. Unreported Claims and Other Claim Reserves.....						212,255,810
0799999. Total Claims Unpaid.....						255,244,444
0899999. Accrued Medical Incentive Pool and Bonus Amounts.....						5,117,433

UNDERWRITING AND INVESTMENT EXHIBIT

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical).....	78,968,857	574,553,612	5,726,195	185,036,606	84,695,052	141,784,934
2. Medicare Supplement.....	17,929,286	95,378,196	354,048	21,275,952	18,283,334	20,475,000
3. Dental only.....	1,058,679	17,207,994	42,673	1,266,377	1,101,352	1,298,000
4. Vision only.....		3,513,565			0	
5. Federal Employees Health Benefits Plan.....	17,426,122	109,004,337	1,182,631	16,484,442	18,608,753	17,598,949
6. Title XVIII - Medicare.....	11,960,394	34,474,669	629,497	11,110,936	12,589,891	13,130,199
7. Title XIX - Medicaid.....					0	
8. Other health.....	51,712	13,266,455	507,745	5,249,263	559,457	6,249,754
9. Health subtotal (Lines 1 to 8).....	127,395,050	847,398,828	8,442,789	240,423,576	135,837,839	200,536,836
10. Healthcare receivables (a).....		36,722,737			0	
11. Other non-health.....					0	
12. Medical incentive pools and bonus amounts.....	2,844,326	4,044,502		5,117,433	2,844,326	6,363,732
13. Totals (Lines 9-10+11+12).....	130,239,376	814,720,593	8,442,789	245,541,009	138,682,165	206,900,568

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(a) Excludes \$.....0 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

The financial statements of Arkansas Blue Cross and Blue Shield are presented on the basis of accounting practices prescribed or permitted by the Arkansas Insurance Department.

The Arkansas Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Arkansas Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the Arkansas Insurance Department.

	SSAP #	F/S Page	F/S Line #	2019	2018
NET INCOME					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 53,650,189	\$ (21,330,429)
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 53,650,189	\$ (21,330,429)
SURPLUS					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 910,293,672	\$ 830,545,432
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 910,293,672	\$ 830,545,432

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

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

C. Accounting Policy

Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- 1) Short-term investments are stated at amortized cost.
- 2) Bonds not backed by other loans and are stated at amortized cost using the interest method. The company is not currently holding any SVO-Identified investments.
- 3) Common Stocks are carried at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.
- 4) The Company does not have preferred stock.
- 5) The Company does not have mortgage loans.
- 6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities.
- 7) Common stock investments in affiliates including limited liability companies are carried at their NAIC SAP or GAAP equity values in accordance with the requirements of SSAP no. 97, *Investments in Subsidiary, Controlled, and Affiliated Entities*.
- 8) The Company has investments in joint ventures, partnerships and limited liability companies. See (7) above for accounting policy.
- 9) The Company does not have derivatives.
- 10) The Company does not have premium deficiency reserves.
- 11) When setting reserves, the Company employs the 5 methods that are described below. Based on the estimates of these methods and also retrospective considerations, the company sets a best estimate and then an explicit margin is added to ensure that the estimate is sufficient. The average of the methods, as well as the spread of the estimates, is also considered when setting the respective liabilities. Aggregate liabilities are tested against other aggregate estimation methods to check for reasonableness, and any additional margin or adjustments are made.
 - a. **Aggregate Method:** 12 months of paid claims are subtracted from 12 months of estimated incurred claims to get the liability estimate
 - b. **3 Month Average Method:** For the base liability estimate, the average liability of the third, fourth, and fifth month prior to the current month is used. Adjustments are made for trend, membership change, and backlog to determine the current month's estimate of liability.
 - c. **Previous Year's IBNR Method** This method is similar to the Three Month Average Method, except that the actual reserve from one year ago is used as the base estimate of liability. This is projected forward using adjustments for trend, membership change, and backlog.
 - d. **CY Lag Method:** This method calculates completion factors by incurral year. Completion factors used for the current year are based on the previous year's experience. Completion factors for the most recent 3 years are set manually.
 - e. **12 Month CF Method:** This method is identical to the CY Lag Method, except that historical completion factors are based on 12 months of rolling data.
- 12) No change in the capitalization policy this year.
- 13) Pharmacy rebate receivable estimates are based upon the prior quarter's invoiced amounts.

NOTES TO FINANCIAL STATEMENTS**D. Going Concern**

For the period ending June 31, 2019 management has evaluated the Company's ability to continue as a going concern. Management has concluded that there is not substantial doubt that the Company can continue as a going concern, therefore, there are no policies in place to alleviate such situations.

Note 2 – Accounting Changes and Corrections of Errors

No significant changes

Note 3 – Business Combinations and Goodwill

No significant changes

Note 4 – Discontinued Operations

No significant changes

Note 5 – Investments**D. Loan-Backed Securities****(1) Description of Sources Used to Determined Prepayment Assumptions**

For fixed-rate agency mortgage-backed securities, Clearwater Analytics calculates prepayment speeds utilizing Mortgage Industry Advisory Corporation (MIAC) Mortgage Industry Medians (MIMs). MIMs are derived from a semi-monthly dealer-consensus survey of long-term prepayment projections. For other mortgage-backed, loan-backed, and structured securities, Clearwater utilizes prepayment assumptions from Moody's Analytics. Moody's applies a flat economic credit model and utilizes a vector of multiple monthly speeds as opposed to a single speed for more robust projections. In instances where Moody's projections are not available, Clearwater uses data from Reuters, which utilizes the median prepayment speed from contributors' models.

(2) Other-Than-Temporary Impairments

Not Applicable

(3) Recognized OTTI securities

Not Applicable

(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	\$	3,237
	2. 12 Months or Longer	\$	1,302
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$	925,472
	2. 12 Months or Longer	\$	1,009,230

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

Not Applicable

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not Applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

M. Working Capital Finance Investments

NOTES TO FINANCIAL STATEMENTS

Not Applicable

N. Offsetting and Netting of Assets and Liabilities

Not Applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

No significant changes

Note 7 – Investment Income

No significant changes

Note 8 – Derivative Instruments

H. The Aggregate, Non-Discounted Total Premium Cost for these Contracts and the Premium Cost Due in Each of the Following Four Years

Not Applicable

Note 9 – Income Taxes

A. The components of the net deferred tax asset/(liability) are as follows:

1. Components of Net Deferred Tax Asset/(Liability)

	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 113,177,708	\$ 888,692	\$ 114,066,400	\$ 102,165,437	\$ 789,724	\$ 102,955,161	\$ 11,012,271	\$ 98,968	\$ 11,111,239
b. Statutory valuation allowance adjustment	1,522,500		1,522,500	1,522,500		1,522,500			
c. Adjusted gross deferred tax assets (1a-1b)	\$ 111,655,208	\$ 888,692	\$ 112,543,900	\$ 100,642,937	\$ 789,724	\$ 101,432,661	\$ 11,012,271	\$ 98,968	\$ 11,111,239
d. Deferred tax assets nonadmitted	51,434,726		51,434,726	53,209,642		53,209,642	(1,774,916)		(1,774,916)
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 60,220,482	\$ 888,692	\$ 61,109,174	\$ 47,433,295	\$ 789,724	\$ 48,223,019	\$ 12,787,187	\$ 98,968	\$ 12,886,155
f. Deferred tax liabilities	1,302,376	14,035,918	15,338,294	1,301,940	13,351,920	14,653,860	436	683,998	684,434
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 58,918,106	\$ (13,147,226)	\$ 45,770,880	\$ 46,131,355	\$ (12,562,196)	\$ 33,569,159	\$ 12,786,751	\$ (585,030)	\$ 12,201,721

2. Admission Calculation Components SSAP No. 101

	2019			2018			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 33,365,145	\$	\$ 33,365,145	\$ 30,798,193	\$	\$ 30,798,193	\$ 2,566,952	\$	\$ 2,566,952
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)	12,405,735		12,405,735	2,770,967		2,770,967	9,634,768		9,634,768
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	12,405,735		12,405,735	2,770,967		2,770,967	9,634,768		9,634,768
2. Adjusted gross deferred tax assets allowed per limitation threshold									
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	14,449,601	888,692	15,338,293	13,864,136	789,724	14,653,860	585,465	98,968	684,433
d. Deferred tax assets admitted as the result of application of SSAP 101.	\$ 60,220,481	\$ 888,692	\$ 61,109,173	\$ 47,433,296	\$ 789,724	\$ 48,223,020	\$ 12,787,185	\$ 98,968	\$ 12,886,153

NOTES TO FINANCIAL STATEMENTS

	1	2019	3	4	2018	6	7	Change	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
Total (2(a)+2(b)+2(c))									

3. Other Admissibility Criteria

	2019	2018
a. Ratio percentage used to determine recovery period and threshold limitation amount	760.1%	760.1%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 737,806,812	\$ 737,806,812

4. 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.

	2019		2018		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 111,655,208	\$ 888,692	\$ 100,642,937	\$ 789,724	\$ 11,012,271	\$ 98,968
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 60,220,482	\$ 888,692	\$ 47,433,295	\$ 789,724	\$ 12,787,187	\$ 98,968
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

Not Applicable

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2019	2 2018	3 (Col 1-2) Change
a. Federal	\$ 27,319,812	\$ 49,760,046	\$ (22,440,234)
b. Foreign	\$	\$	\$
c. Subtotal	\$ 27,319,812	\$ 49,760,046	\$ (22,440,234)
d. Federal income tax on net capital gains	\$ 129,258	\$ 3,275,008	\$ (3,145,750)
e. Utilization of capital loss carry-forwards	\$	\$	\$
f. Other	\$	\$ (2,808,734)	\$ 2,808,734
g. Federal and Foreign income taxes incurred	\$ 27,449,070	\$ 50,226,320	\$ (22,777,250)

2. Deferred Tax Assets

	1 2019	2 2018	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 768,981	\$ 762,084	\$ 6,897
2. Unearned premium reserve			
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs	362,567	436,272	(73,705)
6. Policyholder dividends accrual			
7. Fixed assets	5,254,986	4,889,058	365,928
8. Compensation and benefits accrual	39,956,591	41,162,866	(1,206,275)
9. Pension accrual			
10. Receivables - nonadmitted	15,330,805	12,869,335	2,461,470
11. Net operating loss carry-forward			
12. Tax credit carry-forward	1,385,484	2,770,967	(1,385,483)
13. Other (items <=5% and >5% of total ordinary tax assets)	50,118,294	39,274,855	10,843,439
Other (items listed individually >5% of total ordinary tax assets)			
99. Subtotal	113,177,708	102,165,437	11,012,271
b. Statutory valuation allowance adjustment	1,522,500	1,522,500	
c. Nonadmitted	51,434,726	53,209,642	(1,774,916)
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	60,220,482	47,433,295	12,787,187
e. Capital:			

NOTES TO FINANCIAL STATEMENTS

1. Investments	\$ 888,692	\$ 789,724	\$ 98,968
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	\$ 888,692	\$ 789,724	\$ 98,968
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)	888,692	789,724	98,968
i. Admitted deferred tax assets (2d+2h)	\$ 61,109,174	\$ 48,223,019	\$ 12,886,155

3. Deferred Tax Liabilities

	1 2019	2 2018	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	\$ 195,706	\$ 195,270	\$ 436
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)	1,106,670	1,106,670	
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	1,302,376	1,301,940	436
b. Capital:			
1. Investments	14,035,918	13,351,920	683,998
2. Real estate			
3. Other (Items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	14,035,918	13,351,920	683,998
c. Deferred tax liabilities (3a99+3b99)	\$ 15,338,294	\$ 14,653,860	\$ 684,434
4. Net Deferred Tax Assets (2i - 3c)	\$ 45,770,880	\$ 33,569,159	\$ 12,201,721

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	\$ 17,030,844	21.0%
Proration of tax exempt investment income	343,141	0.4%
Tax exempt income deduction	(145,604)	(0.2)%
Dividends received deduction	(1,226,959)	(1.5)%
Disallowed travel and entertainment	46,236	0.1%
Other permanent differences	503,012	0.6%
Temporary Differences:		
Total ordinary DTAs		%
Total ordinary DTLs		%
Total capital DTAs		%
Total capital DTLs		%
Other:		
Statutory valuation allowance adjustment		%
Accrual adjustment - prior year		%
Other	(675,347)	(0.8)%
Totals	15,875,323	19.6%
Federal and foreign income taxes incurred	27,319,812	33.7%
Realized capital gains (losses) tax	129,258	0.2%
Change in net deferred income taxes	(11,573,748)	(14.3)%
Total statutory income taxes	\$ 15,875,322	19.6%

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

- The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

At June 30, 2019, the Company did not have any unused operating loss carryforwards available to offset against future taxable income

- The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2019	\$ 29,283,556
2018	\$ 2,121,266

- The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code is 0.

NOTES TO FINANCIAL STATEMENTS**F. Consolidated Federal Income Tax Return**

1. The Company's federal income tax return is consolidated with the following entities:

USAbLe Mutual Insurance Company
USAbLe Corporation
Group Service Underwriters Inc
USAbLe Partners LLC

2. The method of allocation among companies is subject to a written agreement, approved by the required authorized officers. The method of allocation chosen is in accordance with IRS Regulation 1.1502-33(d)(2)(l) whereby profitable companies pay tax according to their income or losses. Intercompany tax balances are paid quarterly based on estimates and settled annual upon completion of the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax (RIT)

Not Applicable

I. Alternative Minimum Tax (AMT Credit)

Was the AMT Credit recognized as a current year recoverable or Deferred Tax Asset (DTA)? DTA

Gross AMT Credit Recognized as:

1a. Current year recoverable	1,385,484
1b. Deferred tax asset (DTA)	1,385,484
2 Beginning Balance of AMT Credit Carryforward	5,541,934
3 Amounts Recovered	4,156,451
4 Adjustments	0
5 Ending Balance of AMT Credit Carryforward (5=2-3-4)	1,385,484
6 Reduction for Sequestration	0
7 Nonadmitted by Reporting Entity	0
8 Reporting Entity Ending Balance (8=5-6-7)	1,385,484

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

No significant changes

Note 11 – Debt**B. FHLB (Federal Home Loan Bank) Agreements****(1) Nature of the Agreement**

The Company is a member of the Federal Home Loan Bank (FHLB) of Dallas. Through its membership, the Company has the ability to conduct business activity (borrowings) with the FHLB. It is part of the Company's strategy to utilize these funds as operational liquidity. (For example backup liquidity, to increase profitability and/or tactical funding and/or to improve spread lending liquidity.) The Company has determined the actual/estimated maximum borrowing capacity as \$ 100,000,000. The Company calculated this amount in accordance with current and potential acquisitions of FHLB capital stock.

(2) FHLB Capital Stock**a. Aggregate Totals****1. Current Year to Date**

	Total
(a) Membership Stock – Class A	\$ 699,000
(b) Membership Stock – Class B	
(c) Activity Stock	
(d) Excess Stock	
(e) Aggregate Total (a+b+c+d)	\$ 699,000
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 100,000,000

2. Prior Year-End

	Total
(a) Membership Stock – Class A	\$
(b) Membership Stock – Class B	
(c) Activity Stock	
(d) Excess Stock	
(e) Aggregate Total (a+b+c+d)	\$
(f) Actual or estimated borrowing capacity as determined by the insurer	\$

NOTES TO FINANCIAL STATEMENTS

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

	1	2	Eligible for Redemption			
			3	4	5	6
Membership Stock	Current Year to Date Total (2+3+4+5+6)	Not Eligible for Redemption	Less than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A	\$ 699,000	\$ 699,000	\$	\$	\$	\$
2. Class B	\$	\$	\$	\$	\$	\$

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date (Current Year to Date)

	1	2	3
	Fair Value	Carrying Value	Aggregate Total Borrowing
Current Year to Date Total Collateral Pledged	\$	\$	\$
Prior Year Total Collateral Pledged	\$	\$	\$

b. Maximum Amount Pledged During Year

	1	2	3
	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
Current Year to Date Total Collateral Pledged	\$	\$	\$
Prior Year Total Collateral Pledged	\$	\$	\$

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

1. Current Year to Date

	1	2
	Total	Funding Agreements Reserves Established
(a) Debt		XXX
(b) Funding Agreements		
(c) Other		XXX
(d) Aggregate Total (a+b+c)		

2. Prior Year

	1	2
	Total	Funding Agreements Reserves Established
(a) Debt	\$	XXX
(b) Funding Agreements		\$
(c) Other		XXX
(d) Aggregate Total (a+b+c)	\$	\$

b. Maximum Amount During Reporting Period (Current Year to Date)

	Total
1. Debt	
2. Funding Agreements	
3. Other	
4. Aggregate Total (Lines 1+2+3)	

c. FHLB – Prepayment Obligations

	Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO)
1. Debt	NO
2. Funding Agreements	NO
3. Other	NO

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

A. Defined Benefit Plan

(4) Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	Current Year to Date	2018	Current Year to Date	2018	Current Year to Date	2018
a. Service cost	\$	\$	\$ 323,000	\$ 836,000	\$	\$
b. Interest cost			2,887,000	5,387,000		
c. Expected return on plan						

NOTES TO FINANCIAL STATEMENTS

	Pension	Benefits	Postretirement	Benefits	Special or	Contractual
	Current Year to	2018	Current Year to	2018	Benefits per	SSAP No. 11
	Date		Date		Current Year to	2018
					Date	
assets						
d. Transition asset or obligation						
e. Gains and losses				544,000		
f. Prior service cost or credit			(917,000)	(2,614,000)		
g. Gain or loss recognized due to a settlement curtailment						
h. Total net periodic benefit cost	\$	\$	\$ 2,293,000	\$ 4,153,000	\$	\$

Note 13 – Capital and Surplus, Shareholder’s Dividend Restrictions and Quasi-Reorganizations

No significant changes

Note 14 – Liabilities, Contingencies and Assessments

No significant changes

Note 15 – Leases

No significant changes

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No significant changes

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

B. Transfer and Servicing of Financial Assets

Not Applicable

C. Wash Sales

Not Applicable

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

No significant changes

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

No significant changes

Note 20 – Fair Value Measurements

A. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date

Description for Each Type of Asset or Liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Assets at Fair Value					
Other Invested Assets	\$	\$	\$	\$ 113,346,878	\$ 113,346,878
Bonds	\$	\$	\$	\$	\$
Indust. & Misc	\$	\$ 636,493	\$	\$	\$ 636,493
Common Stock	\$	\$	\$	\$	\$
Indust. & Misc.	\$ 45,571,259	\$ 10,709,616	\$ 699,000	\$	\$ 56,979,875
Parent Subsid. & Affil.	\$	\$	\$ 178,250,018	\$	\$ 178,250,018
Total	\$ 45,571,259	\$ 11,346,109	\$ 178,949,018	\$ 113,346,878	\$ 349,213,263
Liabilities at Fair Value					
	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

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

Description	Beginning Balance	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses)	Total Gains and (Losses)	Purchases	Issuances	Sales	Settlements	Ending Balance as of Current
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NOTES TO FINANCIAL STATEMENTS

				Included in Net Income	Included in Surplus					Period
a. Assets										
Parent, Subsidiaries and Affiliates	\$ 173,810,784	\$	\$	\$	\$ 4,439,234	\$	\$	\$	\$	\$ 178,250,018
Total	\$ 173,810,784	\$	\$	\$	\$ 4,439,234	\$	\$	\$	\$	\$ 178,250,018
b. Liabilities										
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

(3) Policies when Transfers Between Levels are Recognized

Not Applicable

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

Fair Value pricing obtained, where applicable from market prices provided by US Bank, Institutional Trust and Custody, custodian for investment assets, or where applicable, from the NAIC Valuation of Securities database, for assets not priced by US Bank. There has been no change in this valuation technique.

(5) Fair Value Disclosures

Not Applicable

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not Applicable

C. Fair Value Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Other Invested Assets	\$ 113,346,878	\$ 113,346,878	\$	\$	\$	\$ 113,346,878	\$
Bonds	\$ 636,493	\$ 636,493	\$	\$ 636,493	\$	\$	\$
Common Stock	\$ 230,865,560	\$ 230,865,560	\$ 45,571,259	\$ 10,709,616	\$ 178,949,018	\$	\$

D. If it is not practicable for an entity to estimate the fair value of a financial instrument or a class of financial instruments, disclose the information pertinent to estimating the fair value of that instrument and the reasons why it is not practicable to estimate fair value:

Not Applicable

E. NAV Practical Expedient Investments

1. The NAV along with a description of the investment/investment strategy of the investee:

Martingale Investment Trust – Series 1 Low Volatility Large Cap+

This strategy seeks to meet or exceed equity market returns while realizing significantly less volatility. This investment focuses on identifying and investing in low risk companies with sound fundamental properties. The portfolio is considered to be a low risk portfolio with broad, stable sector diversification. The fund contains 227 individual holdings as of 06/30/2019 with the top 10% of all holdings representing 12.4% of all fund holdings. Overall, the risk target of this portfolio is to perform with 70%-80% of the overall market volatility of the Russell 1000 Index.

The fund is able to be liquidated on a monthly basis. Because the underlying portfolio contains assets that are part of the Russell 1000 Index, it is very probable that the fund would not liquidate at the NAV of a prior month. It is possible the fund could be liquidated at a higher or lower price depending on overall market actions.

Barings U.S. Loan Fund Series – Tranche A

The Barings investment process is a focused and detailed fundamental bottom-up due diligence. The firm's investment philosophy is based on the belief that long-term, risk-adjusted returns can best be achieved through active portfolio management coupled with strong fundamental credit underwriting with the goal of minimizing principal losses. The firm takes a credit-intensive approach when selecting assets that seeks to determine where favorable value exists within companies on a relative basis to other investment alternatives.

The average number of loans in the portfolio is 152 at the end of the second quarter 2019, with 14.55% in the top ten holdings. The portfolio is diversified across eleven sectors, with six sectors containing more than 10% of all holdings. Average annualized default since inception is 0.50%, while the historical average is 2.96%.

NOTES TO FINANCIAL STATEMENTS

The fund has daily liquidity but a 30 calendar day prior to withdraw notice is necessary. As of 06/30/2019, there are \$1.2 Billion assets in the Commingled Fund.

2. If the investment can never be redeemed with the investees, but the reporting entity receives distributions through the liquidation of the underlying assets of the investees, the reporting entity's estimate of the period of time over which the underlying assets are expected to be liquidated by the investees.

Not Applicable - (the investments can be redeemed on a monthly basis)

3. The amount of the reporting entity's unfunded commitments related to investments in the class.

Not Applicable - (there is no required capital commitment for the investments in Martingale or Barings)

4. A general description of the terms and conditions upon which the investor may redeem the investment.

Redemption of share of either holding are processed on a monthly basis at prevailing market NAV

5. The circumstances in which an otherwise redeemable investment in the class (or a portion thereof) might not be redeemable (for example, investments subject to a lockup or gate).

Not Applicable

6. Any other significant restriction on the ability to see investments in the class at the measurement date.

Not applicable - (There are no restrictions to viewing the investments of the Martingale Investment Trust – Series 1 Low Volatility Large Cap+ or the Barings U.S. Loan Fund Series – Tranche A. The holdings are provided to the Investor in each of the fund's annual reports, and can be requested at any month end closing.)

7. If a group of investments would otherwise meet the criteria in *SSAP No. 100R—Fair Value* but the individual investments to be sold have not been identified

Not Applicable - (The investor has not made a decision to redeem shares of the Martingale Investment Trust – Series 1 Low Volatility Large Cap+ or the Barings U.S. Loan Fund Series – Tranche A at this time.)

Note 21 – Other Items

No significant changes

Note 22 – Events Subsequent

No significant changes

Note 23 – Reinsurance

No significant changes

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$	\$	\$	\$ (227,038)	\$ (227,038)
(2) Medical loss ratio rebates paid	\$	\$	\$	\$ 607,794	\$ 607,794
(3) Medical loss ratio rebates unpaid	\$	\$	\$	\$ 1,840,421	\$ 1,840,421
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$ 329,301
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 2,169,722
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$	\$	\$	\$ 0	\$ 0
(8) Medical loss ratio rebates paid	\$	\$	\$	\$ 1,840,421	\$ 1,840,421
(9) Medical loss ratio rebates unpaid	\$	\$	\$	\$	\$
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$

NOTES TO FINANCIAL STATEMENTS

E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes [X] No []

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year to date:

a. Permanent ACA Risk Adjustment Program	AMOUNT
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	\$ 4,765,569
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$
3. Premium adjustments payable due to ACA Risk Adjustment	\$ 2,964,577
Operations (Revenue & Expenses)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ (1,465,616)
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	\$

b. Transitional ACA Reinsurance Program	AMOUNT
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. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$
Operations (Revenue & Expenses)	
7. Ceded reinsurance premiums due to ACA Reinsurance	\$
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ 111,157
9. ACA Reinsurance contributions – not reported as ceded premium	\$

c. Temporary ACA Risk Corridors Program	AMOUNT
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	\$
Liabilities	
3. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$
Operations (Revenue & Expenses)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$
4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$

(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 Dec. 31 of the Prior Year		Received or Paid as of the Current Year to Date on Business Written Before Dec. 31 of the Prior Year		Differences		Adjustments		Ref	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 Receivable	2 (Payable)	3 Receivable	4 (Payable)		5 Receivable	6 (Payable)	7 Receivable	8 (Payable)	9 Receivable	10 (Payable)
a. Permanent ACA Risk Adjustment Program												
1. Premium adjustments receivable	\$ 4,765,569	\$	\$	\$	\$ 4,765,569	\$	\$	\$	\$	A	\$ 4,765,569	\$
2. Premium adjustments (payable)	\$	\$ 4,477,566	\$	\$	\$	\$ 4,477,566	\$ 1,512,989	\$	\$	B	\$ 1,512,989	\$ 4,477,566
3. Subtotal ACA Permanent Risk Adjustment Program	\$ 4,765,569	\$ 4,477,566	\$	\$	\$ 4,765,569	\$ 4,477,566	\$ 1,512,989	\$	\$		\$ 6,278,558	\$ 4,477,566
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 premiums	\$	\$	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
5. Ceded reinsurance	\$	\$	\$	\$	\$	\$	\$	\$	\$	G	\$	\$

NOTES TO FINANCIAL STATEMENTS

	Accrued the Prior Business Before the Prior	During Year on Written Dec. 31 of Year	Received or on Business Before the Prior	Paid as of Year to Date Written Dec. 31 of Year	Differences		Adjustments		Ref	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)		Receivable	(Payable)
premiums payable											
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. Reserve for rate credits or policy experience rating refunds									J		
3. Subtotal ACA Risk Corridors Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
d. Total for ACA Risk Sharing Provisions	\$ 4,765,569	\$ 4,477,566	\$	\$	\$ 4,765,569	\$ 4,477,566	\$ 1,512,989	\$		\$ 6,278,558	\$ 4,477,566

Explanations of Adjustments

- A.
- B.
- C.
- D.
- E.
- F.
- G.
- H.
- I.
- J.

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

	Accrued the Prior Year Written Dec. 31 of the	During on Business Before Prior Year	Received or on Business Before the Prior	Paid as of Year to Date Written Dec. 31 of Year	Differences		Adjustments		Ref	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)		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. 2019											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits or policy experience rating refunds	\$	\$	\$	\$	\$	\$	\$	\$	F	\$	\$
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

- A.
- B.
- C.
- D.
- E.
- F.

(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	5 Net Admitted Asset (4-5)
a. 2014	\$	\$	\$	\$	\$	\$
b. 2018	15,919,592	15,919,592				
c. 2019	19,022,136	19,022,136				

NOTES TO FINANCIAL STATEMENTS

	1	2	3	4	5	5
Risk Corridors Program Year	Estimated Amount to be Filed or Final Amount Filed with CMS	Non-Accrued Amounts for Impairment or Other Reasons	Amounts Received from CMS	Asset Balance (Gross of Non-Admissions) (1-2-3)	Non-Admitted Amount	Net Admitted Asset (4-5)
d. Total (a+b+c)	\$ 34,941,728	\$ 34,941,728	\$	\$	\$	\$

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2018 were \$200,536,835 which includes \$39,806,176 of due and unpaid claims. As of June 30, 2019, \$127,395,048 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$8,442,789 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$24,892,823 favorable prior-year development since December 31, 2018 to June 30, 2019. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

12/31/2018 Reserves	\$ 200,536,835	(includes Due and Unpaid)
2018 Claims paid in 2019	(127,395,048)	
2018 Claims Due and Unpaid	<u>(39,806,176)</u>	
Adjusted Net Reserves	\$ 33,335,611	
2018 Remaining Reserves @ 06/30/2019	<u>8,442,789</u>	
Favorable Development	\$ <u>24,892,823</u>	

B. Information about Significant Changes in Methodologies and Assumptions

No significant change

Note 26 – Intercompany Pooling Arrangements

No significant changes

Note 27 – Structured Settlements

Not Applicable for Health Companies

Note 28 – Health Care Receivables

No significant changes

Note 29 – Participating Policies

No significant changes

Note 30 – Premium Deficiency Reserves

No significant changes

Note 31 – Anticipated Salvage and Subrogation

No significant changes

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change: _____

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No []
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period. Yes [] No [X]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes [] No [X] N/A []

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/28/2017

- 6.4 By what department or departments?
Arkansas Insurance Department

- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated with 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 the 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

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No
- 14.2 If yes, please complete the following:

- 14.21 Bonds
- 14.22 Preferred Stock
- 14.23 Common Stock
- 14.24 Short-Term Investments
- 14.25 Mortgage Loans on Real Estate
- 14.26 All Other
- 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)
- 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above

	1 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
\$	0	\$ 0
	0	0
	169,735,848	178,250,018
	0	0
	0	0
	99,708,187	94,012,724
\$	269,444,035	\$ 272,262,741
\$	0	\$ 0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No
- If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.3 Total payable for securities lending reported on the liability page: \$ 0
17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes No

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

1 Name of Custodian(s)	2 Custodian Address
US Bank Institutional Trust and Custody	PO Box 387, St. Louis, MO 61366-0387

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes No
- 17.4 If yes, give full and complete information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
Foundation Resource Management	U
Wells Capital Management Inc.	U
Gray D. Dillard	I
Martingale Asset Management, LP	U
Barings, LLC	U
Pacific Investment Management Company LLC	U

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes No
- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes No
- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
116359	Foundation Resource Management	N/A	SEC	

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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
104973	Wells Capital Management Inc.	54300B3H2IOO2L85I90	SEC	
106006	Barings, LLC	ANDKRHQKPRRG4Q2KLR05	SEC, CFTC, NFA	
108526	Martingale Asset Management, LP	549300GXM5ZGZJXZ1Y74	SEC	
104559	Pacific Investment Management Company LLC	549300KGPYQZXGMYYN38	SEC	

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

18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for 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

20. By self-designating PLGI securities, the reporting entity is certifying the following elements for 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

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

1. Operating Percentages:		
1.1 A&H loss percent		82.6 %
1.2 A&H cost containment percent		0.3 %
1.3 A&H expense percent excluding cost containment expenses		12.1 %
2.1 Do you act as a custodian for health savings accounts?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.		0
2.3 Do you act as an administrator for health savings accounts?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
2.4 If yes, please provide the amount of funds administered as of the reporting date.		0
3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?.....	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
3.1 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 [<input type="checkbox"/>]	No [<input type="checkbox"/>]

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
------------------------------	----------------	------------------------	------------------------	----------------------------------	--------------------------------------	---------------------------	---	--

NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

State, Etc.	1 Active Status (a)	Direct Business Only							
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 through 7	9 Deposit-Type Contracts
1. Alabama.....AL	N								0
2. Alaska.....AK	N								0
3. Arizona.....AZ	N								0
4. Arkansas.....AR	L	971,660,851	65,043,433		139,294,056		1,175,998,340		
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	N								0
21. Maryland.....MD	N								0
22. Massachusetts.....MA	N								0
23. Michigan.....MI	N								0
24. Minnesota.....MN	N								0
25. Mississippi.....MS	N								0
26. Missouri.....MO	N								0
27. Montana.....MT	N								0
28. Nebraska.....NE	N								0
29. Nevada.....NV	N								0
30. New Hampshire.....NH	N								0
31. New Jersey.....NJ	N								0
32. New Mexico.....NM	N								0
33. New York.....NY	N								0
34. North Carolina.....NC	N								0
35. North Dakota.....ND	N								0
36. Ohio.....OH	N								0
37. Oklahoma.....OK	N								0
38. Oregon.....OR	N								0
39. Pennsylvania.....PA	N								0
40. Rhode Island.....RI	N								0
41. South Carolina.....SC	N								0
42. South Dakota.....SD	N								0
43. Tennessee.....TN	N								0
44. Texas.....TX	L	4,712,692					4,712,692		
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		976,373,543	65,043,433	0	139,294,056	0	1,180,711,032	0	0
60. Reporting entity contributions for Employee Benefit Plans.....XXX							0		0
61. Total (Direct Business).....XXX		976,373,543	65,043,433	0	139,294,056	0	1,180,711,032	0	0

DETAILS OF WRITE-INS

58001.....								0	
58002.....								0	
58003.....								0	
58998. Summary of remaining write-ins for line 58 from overflow page.....		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above).....		0	0	0	0	0	0	0	0

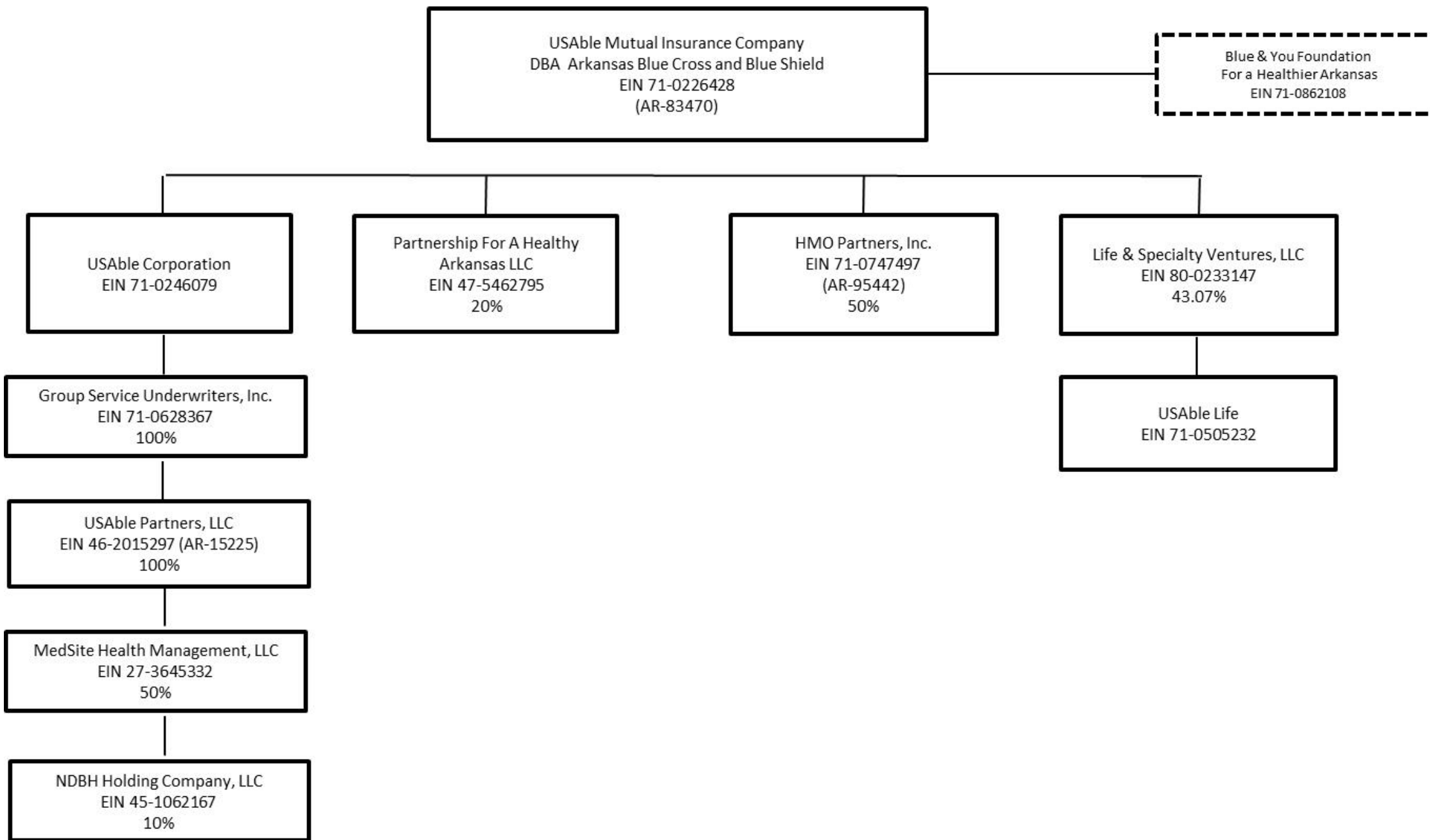
(a) Active Status Count

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

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

PART 1 – ORGANIZATIONAL CHART

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SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
Members															
0876	USAbLe Mutual Insurance Company	83470...	71-0226428..				USAbLe Mutual Insurance Company.....	AR.....		USAbLe Mutual Insurance Company.....	Board.....		USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company		71-0862108..				Blue & You Foundation.....	AR.....	NIA.....	USAbLe Mutual Insurance Company.....	Ownership, Board, Influence		USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company		71-0246079..				USAbLe Corporation.....	AR.....	DS.....	USAbLe Mutual Insurance Company.....	Ownership, Board, Influence	100.000	USAbLe Mutual Insurance Company.....	.....Y.....	
0876	USAbLe Mutual Insurance Company		47-5462795..				Partnership for a Health Arkansas LLC.....	AR.....	DS.....	USAbLe Mutual Insurance Company.....	Ownership, Influence, Board	20.000	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company	95442...	71-0747497..				HMO Partners, Inc.....	AR.....	DS.....	USAbLe Mutual Insurance Company.....	Ownership, Board, Influence	50.000	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company		80-0233147..				Life & Specialty Ventures, Inc.....	DE.....	NIA.....	USAbLe Mutual Insurance Company.....	Ownership, Board, Influence	43.070	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company		71-0628367..				Group Service Underwriters, Inc.....	AR.....	DS.....	USAbLe Corporation.....	Ownership, Influence	100.000	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company		27-3645332..				MedSite Health Management, LLC.....	AR.....	DS.....	USAbLe Corporation.....	Ownership, Board, Influence	50.000	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company	15225...	46-2015297..				USAbLe Partners, LLC.....	VT.....	DS.....	USAbLe Corporation.....	Ownership, Board, Influence	100.000	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company		45-1062167..				NDBH Holding Company, LLC.....	AR.....	DS.....	USAbLe Corporation.....	Ownership, Influence	10.000	USAbLe Mutual Insurance Company.....	.....N.....	
0876	USAbLe Mutual Insurance Company	94358...	71-0505232..				USAbLe Life.....	AR.....	IA.....	Life and Specialty Ventures, LLC.....	Ownership.....	100.000	USAbLe Mutual Insurance Company.....N.....	

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SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

Response

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

YES

Explanation:

1.

Bar Code:

NONE

USAble Mutual Insurance Company
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	59,038,149	55,807,725
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....	3,312,356	9,321,980
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		(14,558)
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....	3,173,222	6,076,997
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	59,177,283	59,038,149
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	59,177,283	59,038,149

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	201,004,379	137,348,223
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....	779,386	65,509,733
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....	6,719,994	152,846
6. Total gain (loss) on disposals.....	(242,928)	(234,099)
7. Deduct amounts received on disposals.....	901,228	1,772,324
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	207,359,602	201,004,379
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	207,359,602	201,004,379

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	911,897,502	869,085,451
2. Cost of bonds and stocks acquired.....	96,633,873	459,887,423
3. Accrual of discount.....	278,858	498,886
4. Unrealized valuation increase (decrease).....	11,741,177	(21,536,014)
5. Total gain (loss) on disposals.....	857,203	15,853,064
6. Deduct consideration for bonds and stocks disposed of.....	64,340,327	407,353,696
7. Deduct amortization of premium.....	1,835,382	4,674,916
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		332,495
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....	13,639	469,800
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10).....	955,246,544	911,897,502
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	955,246,544	911,897,502

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	698,000,913	193,912,113	129,406,980	3,132,548	698,000,913	765,638,594		733,376,262
2. NAIC 2 (a).....	76,671,905	1,979,875	299,010	(2,776,609)	76,671,905	75,576,161		66,572,333
3. NAIC 3 (a).....	635,168			1,325	635,168	636,493		614,669
4. NAIC 4 (a).....						0		
5. NAIC 5 (a).....						0		
6. NAIC 6 (a).....						0		
7. Total Bonds.....	775,307,986	195,891,988	129,705,990	357,264	775,307,986	841,851,248	0	800,563,263
PREFERRED STOCK								
8. NAIC 1.....						0		
9. NAIC 2.....						0		
10. NAIC 3.....						0		
11. NAIC 4.....						0		
12. NAIC 5.....						0		
13. NAIC 6.....						0		
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	775,307,986	195,891,988	129,705,990	357,264	775,307,986	841,851,248	0	800,563,263

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....126,441,617; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	104,213,094	XXX	103,861,875	275,000	268,430

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	94,690,813	52,747,346
2. Cost of short-term investments acquired.....	121,767,525	272,266,957
3. Accrual of discount.....	731,838	1,306,456
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	1,174	(22,784)
6. Deduct consideration received on disposals.....	112,978,257	231,607,161
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	104,213,094	94,690,813
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	104,213,094	94,690,813

**Sch. DB - Pt. A - Verification
NONE**

**Sch. DB - Pt. B - Verification
NONE**

**Sch. DB - Pt. C - Sn. 1
NONE**

**Sch. DB - Pt. C - Sn. 2
NONE**

**Sch. DB - Verification
NONE**

SCHEDULE E - PART 2 - VERIFICATION

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	61,952,026	88,757,930
2. Cost of cash equivalents acquired.....	1,099,359,324	2,416,287,817
3. Accrual of discount.....	46,194	69,980
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	66	(902)
6. Deduct consideration received on disposals.....	1,086,272,513	2,443,162,798
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	75,085,098	61,952,026
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	75,085,098	61,952,026

SCHEDULE A - PART 2

Showing all Real Estate ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
Acquired by Purchase								
Main Building Improvements.....	Little Rock.....	AR...	.....Various	Various.....				.....3,167,103
0199999. Totals.....					.....0	.....0	.....0	.....3,167,103
0399999. Totals.....					.....0	.....0	.....0	.....3,167,103

QE01

SCHEDULE A - PART 3

Showing all Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract "

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs, and Expenses Incurred
	2 City	3 State					9 Current Year's Depreciation	10 Current Year's Other-Than-Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
NONE																		

SCHEDULE B - PART 2

Showing all Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

1	2 Location		3	4	5	6	7	8	9
Loan Number	City	State	Loan Type	Date Acquired	Rate of Interest	Actual Cost at Time of Acquisition	Additional Investment Made After Acquisition	Value of Land and Buildings	

NONE

QE02

SCHEDULE B - PART 3

Showing all Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

1	2 Location		4	5	6	7	8 Change in Book Value/Recorded Investment					14	15	16	17	18	
Loan Number	City	State	Loan Type	Date Acquired	Disposal Date	Book Value/Recorded Investment Excluding Accrued Interest Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in Book Value (8 + 9 - 10 + 11)	Total Foreign Exchange Change in Book Value	Book Value / Recorded Investment Excluding Accrued Interest on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal

NONE

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Designation and Administrative Symbol/Market Indicator	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made after Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership	
		3 City	4 State										
Joint Venture or Partnership Interests That Have Underlying Characteristics of Mortgage Loans - Unaffiliated													
97MSCM 3D 9	BABSON CAPITAL FLOATING RATE INCOME FUND		USA	BABSON CAPITAL FLOATING RATE INCOME FUND		01/31/2017			385,754				
1999999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Mortgage Loans - Unaffiliated									0	385,754	0	0	XXX
4499999. Subtotal - Unaffiliated									0	385,754	0	0	XXX
4699999. Totals									0	385,754	0	0	XXX

QE03

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Changes in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization) / Accretion	11 Current Year's Other-Than-Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.						
97MSCM 3D 9	BABSON CAPITAL FLOATING RATE INCOME FUND		USA	Adjustment	01/31/2017	06/01/2019	601,629						0	604,748	361,820		(242,928)	(242,928)	604,748
1999999. Total - Joint Venture or Partnership Interests That Have Underlying Characteristics of Mortgage Loans - Unaffiliated								601,629	0	0	0	0	0	604,748	361,820	0	(242,928)	(242,928)	604,748
4499999. Subtotal - Unaffiliated								601,629	0	0	0	0	604,748	361,820	0	(242,928)	(242,928)	604,748	
4699999. Totals								601,629	0	0	0	0	604,748	361,820	0	(242,928)	(242,928)	604,748	

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol/Market Indicator (a)
Bonds - U.S. Government									
912828 6V 7	UNITED STATES TREASURY		06/19/2019.....	CITIGROUP GLOBAL MARKETS INC.....		5,236,563	5,200,000	6,038	1.....
912828 M5 6	UNITED STATES TREASURY		06/01/2019.....	UBS FINANCIAL SERVICES INC.....		19,831,250	20,000,000	183,978	1.....
912828 XT 2	UNITED STATES TREASURY		06/19/2019.....	CITIGROUP GLOBAL MARKETS INC.....		2,831,609	2,800,000	3,060	1.....
0599999	Total - Bonds - U.S. Government.....					27,899,422	28,000,000	193,076	.XXX.....
Bonds - U.S. States, Territories and Possessions									
882723 7R 4	TEXAS ST.....		06/06/2019.....	RAYMOND JAMES/FI.....		1,061,270	1,000,000	6,327	1FE.....
1799999	Total - Bonds - U.S. States, Territories & Possessions.....					1,061,270	1,000,000	6,327	.XXX.....
Bonds - U.S. Political Subdivisions of States									
71319R BZ 9	PEORIA ILLINOIS METROPOLITAN AIRPORT AUT.....		06/01/2019.....	STIFEL NICOLAUS & COMPANY INC.....		666,654	600,000		1FE.....
2499999	Total - Bonds - U.S. Political Subdivisions of States.....					666,654	600,000	0	.XXX.....
Bonds - U.S. Special Revenue and Special Assessment									
01026C AC 5	ALABAMA ECONOMIC SETTLEMENT AUTH BP SETT.....		06/01/2019.....	Morgan Stanley.....		1,207,788	1,200,000	2,425	1FE.....
3132AD XW 3	FH ZT1593 - RMBS.....		06/19/2019.....	CITIGROUP GLOBAL MARKETS INC.....		11,631,599	11,400,036	22,167	1.....
41987Y BC 9	HAWAIIAN GARDENS CALIF REDEV AGY SUCCESS.....		06/01/2019.....	BB&T SECURITIES, LLC.....		497,670	500,000	1,313	1FE.....
523288 ED 6	LEDGEVIEW WIS.....		06/01/2019.....	BB&T SECURITIES, LLC.....		518,740	500,000	11,319	1FE.....
592041 XC 6	MET GOVT NASHVILLE & DAVIDSON CNTY TENN.....		06/01/2019.....	CHASE SECURITIES INC.....		516,000	500,000	1,040	1FE.....
70922P AM 4	PENNSYLVANIA ST TPK COMMN SPL OBLIG.....		06/26/2019.....	J.P. Morgan Securities LLC.....		318,273	300,000	704	1FE.....
71319R BZ 9	PEORIA ILLINOIS METROPOLITAN AIRPORT AUT.....		06/01/2019.....	STIFEL NICOLAUS & COMPANY INC.....		(666,654)	(600,000)		1FE.....
882117 3D 4	TEXAS A & M UNIV PERM UNIV FD.....		06/06/2019.....	BOSC INC.....		1,019,610	1,000,000	12,146	1FE.....
914072 J8 7	UNIVERSITY ARK UNIV REV.....		06/18/2019.....	RAYMOND JAMES/FI.....		892,487	880,000	6,307	1FE.....
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments.....					15,935,513	15,680,036	57,421	.XXX.....
Bonds - Industrial and Miscellaneous									
023770 AA 8	AMERICAN AIRLINES INC - ABS.....		06/01/2019.....	MORGAN STANLEY & CO. LLC.....		1,060,350	1,076,509	15,946	1FE.....
06051G FS 3	BANK OF AMERICA CORP.....		06/19/2019.....	VARIOUS.....		1,055,770	1,000,000	15,069	1FE.....
084659 AD 3	BERKSHIRE HATHAWAY ENERGY CO.....		06/01/2019.....	J.P. Morgan Securities LLC.....		1,080,786	1,050,000	7,248	1FE.....
12555D AB 1	CIM 19INV1 A2 - CMO/RMBS.....		06/01/2019.....	MLPFS INC FIXED INCOME.....		998,008	1,000,000	1,068	1FE.....
12596W AD 6	CSAIL 19C16 ASB - CMBS.....		06/18/2019.....	CREDIT SUISSE SECURITIES.....		1,235,998	1,200,000	2,723	1FE.....
149123 BD 2	CATERPILLAR INC.....		06/01/2019.....	RAYMOND JAMES/FI.....		2,021,613	1,710,000	19,000	1FE.....
191216 BW 9	COCA-COLA CO.....		06/21/2019.....	BNY/SUNTRUST CAPITAL MARKETS.....		1,709,628	1,695,000	2,882	1FE.....
231021 AR 7	CUMMINS INC.....		06/25/2019.....	VARIOUS.....		965,641	914,000	7,970	1FE.....
29273R BD 0	ENERGY TRANSFER PARTNERS LP.....		06/19/2019.....	BARCLAYS CAPITAL INC.....		823,024	800,000	8,640	2FE.....
34528Q GS 7	FORDF 191 A - ABS.....		06/01/2019.....	BARCLAYS CAPITAL INC.....		1,099,842	1,100,000		1FE.....
46849L TM 3	JACKSON NATIONAL LIFE GLOBAL FUNDING.....	C.....	06/26/2019.....	JP MORGAN SECURITIES LLC.....		999,590	1,000,000		1FE.....
50077L AK 2	KRAFT HEINZ FOODS CO.....		06/19/2019.....	MLPFS INC FIXED INCOME.....		515,505	500,000	8,558	2FE.....
66989H AJ 7	NOVARTIS CAPITAL CORP.....	C.....	06/18/2019.....	Southwest Securities.....		1,853,226	1,800,000	4,500	1FE.....
69335P DE 2	PFSFC 19A A2 - ABS.....		06/01/2019.....	CITIGROUP GLOBAL MARKETS INC.....		899,977	900,000		1FE.....
717081 ES 8	PFIZER INC.....		06/01/2019.....	STIFEL NICOLAUS & COMPANY INC.....		2,535,900	2,500,000	6,351	1FE.....
808513 AX 3	CHARLES SCHWAB CORP.....		06/14/2019.....	MORGAN STANLEY SMITH BARNEY.....		1,067,320	1,000,000	2,888	1FE.....
89231X AA 9	TALNT 191 A - ABS.....		06/10/2019.....	CITIGROUP GLOBAL MARKETS INC.....		1,199,598	1,200,000		1FE.....
90352J AE 3	UBS GROUP FUNDING SWITZERLAND AG.....	C.....	06/19/2019.....	VARIOUS.....		1,001,840	1,000,000	10,007	1FE.....
92340L AD 1	VEREIT OPERATING PARTNERSHIP LP.....		06/19/2019.....	Morgan Stanley.....		641,346	600,000	3,854	2FE.....
949746 RW 3	WELLS FARGO & CO.....		06/19/2019.....	VARIOUS.....		800,272	800,000	3,933	1FE.....
3899999	Total - Bonds - Industrial and Miscellaneous.....					23,565,234	22,845,509	120,636	.XXX.....
8399997	Total - Bonds - Part 3.....					69,128,093	68,125,544	377,460	.XXX.....

QE04

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol/Market Indicator (a)
8399999	Total - Bonds					69,128,093	68,125,544	377,460	XXX
Common Stocks - Industrial and Miscellaneous									
000000 00 0	BCBSB1 MEMBERSHIP		06/10/2019	FEDERAL HOME LOAN BANK OF DALLAS	6,990.000	699,000	XXX		V
072730 30 2	BAYER AKTIENGESELLSCHAFT EACH RE ADR	C	04/05/2019	MERRILL LYNCH,PIERCE,FENNER & SMITH	81,700.000	1,416,854	XXX		L
25271C 10 2	DIAMOND OFFSHORE DRILLING ORD		04/12/2019	UBS FINANCIAL SERVICES INC	30,000.000	345,811	XXX		L
H8817H 10 0	TRANSOCEAN ORD	C	04/12/2019	UBS FINANCIAL SERVICES INC	38,000.000	339,534	XXX		L
9099999	Total - Common Stocks - Industrial and Miscellaneous					2,801,199	XXX	0	XXX
9799997	Total - Common Stocks - Part 3					2,801,199	XXX	0	XXX
9799999	Total - Common Stocks					2,801,199	XXX	0	XXX
9899999	Total - Preferred and Common Stocks					2,801,199	XXX	0	XXX
9999999	Total - Bonds, Preferred and Common Stocks					71,929,292	XXX	377,460	XXX

(a) For all common stock bearing NAIC market indicator "U" provide the number of such issues:.....0.

QE04.1

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For rei gn	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than- Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Admini- strative Symbol/ Market Indicator (a)
Bonds - U.S. Government																					
38378U	8L 4		06/20/2019	GNR 15H04B FA - CMO		25,615	25,615	25,767	953,978				(13)		25,755		(139)	(139)	372	12/20/2064	1
912828	D2 3		06/01/2019	UNITED STATES TREASURY		200,000	200,000	198,828	199,920		80		80		200,000			0	1,625	04/30/2019	1
912828	ND 8		06/01/2019	UNITED STATES TREASURY		5,055,469	5,000,000	5,092,969	5,068,208		(13,702)		(13,702)		5,054,506		963	963	71,547	05/15/2020	1
0599999	Total - Bonds - U.S. Government					5,281,084	5,225,615	5,317,564	6,222,107	0	(13,636)	0	(13,636)	0	5,280,261	0	823	823	73,544	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
196479	H6 9		06/01/2019	COLORADO HSG & FIN AUTH					1,000,000				0				0	46	10/01/2023	1FE	
3128MJ	5B 2		06/01/2019	FH G08841 - RMBS		31,244	31,244	30,861	674,105		6		6		30,872		372	372	522	10/01/2048	1
3128MJ	5T 3		06/01/2019	FH G08857 - RMBS		1,448,832	1,448,832	1,471,130	21,992,043		(728)		(728)		1,470,401		(21,570)	(21,570)	27,592	01/01/2049	1
3130AD	UJ 9		04/17/2019	FEDERAL HOME LOAN BANKS		699,559	700,000	699,804	699,882		27		27		699,909		(350)	(350)	9,098	03/30/2020	1
3140J6	GJ 0		06/01/2019	FN BM2000 - RMBS		589,511	589,511	586,195	18,274,026		(11)		(11)		586,179		3,332	3,332	9,930	05/01/2047	1
31418C	P5 7		06/01/2019	FN MA3143 - RMBS		434,435	434,435	421,436	22,965,305		105		105		421,511		12,924	12,924	6,436	09/01/2047	1
31418C	R8 9		06/01/2019	FN MA3210 - RMBS		858,105	858,105	853,177	28,520,539		16		16		853,191		4,914	4,914	14,365	12/01/2047	1
31418C	XN 9		06/01/2019	FN MA3384 - RMBS		250,668	250,668	255,731	5,773,339		(145)		(145)		255,417		(4,749)	(4,749)	5,246	06/01/2048	1
494759	NQ 2		06/01/2019	KING CNTY WASH HSG AUTH HSG REV		335,000	335,000	335,000	335,000				0		335,000			0	3,350	05/01/2019	1FE
57587A	DL 9		06/01/2019	MASSACHUSETTS ST HSG FIN AGY HSG REV					280,416				0				0	10	12/01/2020	1FE	
64613A	AQ 5		06/01/2019	NEW JERSEY ST HSG & MTG FIN AGY REV		20,000	20,000	20,000	1,000,000				0		20,000		0	0	310	04/01/2024	1FE
64987D	UE 2		06/01/2019	NEW YORK ST HSG FIN AGY REV		900,000	900,000	900,000					0		900,000		0	0	7,806	11/01/2045	1FE
708797	AN 5		06/26/2019	PENNSYLVANIA HSG FIN AGY SPL LTD OBLIG M		1,749	1,749	1,680			1		1		1,682		66	66	32	08/01/2035	1FE
97712D	VE 3		06/01/2019	WISCONSIN ST HEALTH & EDL FACS AUTH REV					895,000				0				0	0	497	11/15/2038	1FE
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments					5,569,102	5,569,543	5,575,014	102,409,655	0	(729)	0	(729)	0	5,574,163	0	(5,061)	(5,061)	85,239	XXX	XXX
Bonds - Industrial and Miscellaneous																					
023770	AA 8		06/01/2019	AMERICAN AIRLINES INC - ABS		32,892	32,892	32,399			(10)		(10)		32,388		504	504	555	11/01/2028	1FE
02377A	AA 6		06/01/2019	AMERICAN AIRLINES PASS THROUGH TRUST SER		30,991	30,991	30,197			1		1		30,198		792	792	573	04/01/2028	1FE
037833	AQ 3		06/01/2019	APPLE INC		3,000,000	3,000,000	3,006,870	3,000,514		(514)		(514)		3,000,000		0	0	31,500	05/06/2019	1FE
05972M	AA 2		06/01/2019	BCMT 19CRE5 A - CMBS		7,992	7,992	7,992					0		7,992		0	0	37	03/17/2036	1FE
12189L	AQ 4		06/01/2019	BURLINGTON NORTHERN SANTA FE LLC		1,522,167	1,460,000	1,541,088	1,519,261		(3,173)		(3,173)		1,516,075		6,092	6,092	33,101	09/01/2023	1FE
12555D	AB 1		06/25/2019	CIM 19INV1 A2 - CMO/RMBS		89,682	89,682	89,503			1		1		89,504		178	178	575	02/25/2049	1FE
130789	AE 0		06/01/2019	CALIFORNIA WATER SERVICE CO		3,000,000	3,000,000	3,390,000	3,036,834		(36,834)		(36,834)		3,000,000		0	0	88,125	05/01/2019	1FE
25468P	DA 1		06/01/2019	WALT DISNEY CO		500,000	500,000	499,500	499,957		43		43		500,000		0	0	4,625	05/30/2019	1FE
263534	BZ 1		06/01/2019	E I DU PONT DE NEMOURS AND CO		456,326	450,000	492,525	463,428		(3,939)		(3,939)		459,489		(9,489)	(9,489)	22,340	01/15/2020	1FE
452308	AJ 8		06/01/2019	ILLINOIS TOOL WORKS INC		1,050,000	1,050,000	1,264,463	1,060,880		(10,880)		(10,880)		1,050,000		0	0	32,813	04/01/2019	1FE
494368	BN 2		06/01/2019	KIMBERLY LEASING CORP		2,000,000	2,000,000	1,990,000	1,999,177		823		823		2,000,000		0	0	19,000	05/22/2019	1FE
594918	AC 8		06/03/2019	MICROSOFT CORP		4,925,000	4,925,000	5,378,297	4,974,071		(49,071)		(49,071)		4,925,000		0	0	103,425	06/01/2019	1FE
73316P	AG 5		06/25/2019	POPLR 044 AV1 - RMBS		311	310	306			(0)		(0)		306		4	4	16	09/25/2034	1FE
84858D	AA 6		06/01/2019	SPIRIT AIRLINES CLASS A PASS THROUGH CER		72,428	72,428	72,590	830,585		6		6		72,596		(167)	(167)	2,160	10/01/2029	1FE

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SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For ei gn	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than- Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Admini- strative Symbol/ Market Indicator (a)
88579Y AG 6	3M CO.....		06/17/2019	Maturity @ 100.00.....		1,240,000	1,240,000	1,223,186	1,238,413		1,587		1,587		1,240,000			0	10,075	06/15/2019	1FE.....
911312 AK 2	UNITED PARCEL SERVICE INC.....		06/01/2019	Maturity @ 100.00.....		2,453,000	2,453,000	2,812,550	2,470,912		(17,912)		(17,912)		2,453,000			0	62,858	04/01/2019	1FE.....
91913Y AR 1	VALERO ENERGY CORP.....		06/01/2019	VARIOUS.....		302,313	295,000	314,175	300,610		(1,600)		(1,600)		299,010		(4,010)	(4,010)	20,563	02/01/2020	2FE.....
3899999	Total - Bonds - Industrial and Miscellaneous.....					20,683,101	20,607,295	22,145,640	21,394,640	0	(121,471)	0	(121,471)	0	20,675,559	0	(6,096)	(6,096)	432,342	XXX	XXX
8399997	Total - Bonds - Part 4.....					31,533,287	31,402,454	33,038,218	130,026,402	0	(135,836)	0	(135,836)	0	31,529,982	0	(10,334)	(10,334)	591,125	XXX	XXX
8399999	Total - Bonds.....					31,533,287	31,402,454	33,038,218	130,026,402	0	(135,836)	0	(135,836)	0	31,529,982	0	(10,334)	(10,334)	591,125	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
Y2106R 11 0	DORIAN LPG ORD.....		05/22/2019	MERRILL LYNCH,PIERCE,FENNER & SMITH		8,771,000	70,603	XXX	72,098	51,135	20,963		20,963		72,098		(1,495)	(1,495)		XXX	L.....
9099999	Total - Common Stocks - Industrial and Miscellaneous.....					70,603	70,603	XXX	72,098	51,135	20,963	0	20,963	0	72,098	0	(1,495)	(1,495)	0	XXX	XXX
9799997	Total - Common Stocks - Part 4.....					70,603	70,603	XXX	72,098	51,135	20,963	0	20,963	0	72,098	0	(1,495)	(1,495)	0	XXX	XXX
9799999	Total - Common Stocks.....					70,603	70,603	XXX	72,098	51,135	20,963	0	20,963	0	72,098	0	(1,495)	(1,495)	0	XXX	XXX
9899999	Total - Preferred and Common Stocks.....					70,603	70,603	XXX	72,098	51,135	20,963	0	20,963	0	72,098	0	(1,495)	(1,495)	0	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks.....					31,603,890	31,110,316	33,110,316	130,077,537	20,963	(135,836)	0	(114,873)	0	31,602,080	0	(11,829)	(11,829)	591,125	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:0.

QE05.1

Sch. DB - Pt. A - Sn. 1
NONE

Sch. DB - Pt. B - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 2
NONE

Sch. DL - Pt. 1
NONE

Sch. DL - Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Bank of America..... Little Rock, AR.....								XXX
BAAA Claims.....					8,525,515	15,353,205	12,074,123	XXX
BAAA Operating.....					11,265,848	22,443,140	9,217,078	XXX
BAAA Refunds.....					211,342	1,025,659	1,263,785	XXX
BC Reg Business Claims.....					(500,915)	(464,657)	(446,284)	XXX
Clearinghouse Bank Account.....					210,684	241,449	274,019	XXX
Exchange Claims.....					(1,485,309)	(1,301,512)	(1,576,207)	XXX
FEP Basic Option EFT.....					(585)	-	(166)	XXX
General Acct.....					6,232,093	19,450,128	5,101,013	XXX
LTC CHCS.....					174,097	167,568	172,156	XXX
Med Adv ACH Prens.....					427,845	351,703	364,083	XXX
Med Adv Lockbox.....					672			XXX
Payroll Acct.....					22,241	22,241	(5,054,503)	XXX
PDP ACH Premiums.....					17,807	18,478	18,478	XXX
USAM Claims.....					1,852,191	1,989,206	1,119,421	XXX
Walmart Claims.....					10,201,579	10,504,367	14,987,226	XXX
.....								XXX
Bank of America..... Vadalia, MO.....								XXX
Accounts Payable.....					(1,329,347)	(2,211,629)	(2,509,277)	XXX
GPCS Assigned.....					(15,645)	(14,398)	(15,860)	XXX
GPCS Unassigned.....					(140,106)	(130,782)	(127,423)	XXX
.....								XXX
Simmons First National Bank..... Pine Bluff, AR.....								XXX
ABCBS MMA DDA.....			24,963		7,151,735	7,160,788	7,168,478	XXX
Accounts Payable EFT.....					-	-	(400)	XXX
BlueCard Claims.....					(65,305)	(286,685)	(316,691)	XXX
FEP Basic Option.....					(97,191)	(160,835)	(95,424)	XXX
FEP Blue Focus Option.....					(6)	(57)	(141)	XXX
FEP Investment.....					2,165,956	2,165,381	2,160,040	XXX
FEP Standard Option.....					(235,221)	(184,049)	(216,123)	XXX
Med Adv Claims.....					-	-	-	XXX
Medipak Assigned.....					(125,527)	(136,997)	(196,790)	XXX
Medipak Unassigned.....					(769,864)	(546,660)	(720,953)	XXX
Parent Acct.....					5,081,619	5,074,745	5,262,162	XXX
.....								XXX
US Bank..... St. Louis, MO.....								XXX
Members Lockbox.....					9,352,546	2,409,753	8,594,454	XXX
Uninvested Cash.....					0	0	524,501	XXX
.....								XXX
BanCorp..... Little Rock, AR.....								XXX
AR Works Rewards Collateral.....					25,000	25,000	25,000	XXX
0199998. Deposits in.....58 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories.....	XXX	XXX	2,950		2,330,000	2,330,000	2,330,000	XXX
0199999. Total Open Depositories.....	XXX	XXX	27,913	0	60,483,749	85,294,550	59,379,773	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	27,913	0	60,483,749	85,294,550	59,379,773	XXX
0499999. Cash in Company's Office.....	XXX	XXX	XXX	XXX	6,772	4,772	4,772	XXX
0599999. Total Cash.....	XXX	XXX	27,913	0	60,490,521	85,299,322	59,384,545	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
U.S. Government Bonds - Issuer Obligations								
	UNITED STATES TREASURY.....		06/28/2019.....		08/29/2019.....	19,932,969		
0199999	U.S. Government Bonds - Issuer Obligations.....					19,932,969	0	0
0599999	Total - U.S. Government Bonds.....					19,932,969	0	0
Bonds - U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their U.S. Political Subdivision - Issuer Obligations								
	FEDERAL HOME LOAN BANKS.....		06/04/2019.....		07/31/2019.....	2,295,553		3,847
2599999	U.S. Special Revenue & Special Assessment Obligations - Issuer Obligations.....					2,295,553	0	3,847
3199999	Total - U.S. Special Revenue & Special Assessment Obligations and all Non-Guaranteed Obligations.....					2,295,553	0	3,847
Total Bonds								
7799999	Subtotals - Issuer Obligations.....					22,228,523	0	3,847
8399999	Subtotals - Bonds.....					22,228,523	0	3,847
Exempt Money Market Mutual Funds as Identified by the SVO								
60934N 50 0	FEDERATED TREAS OBL INST.....		06/28/2019.....	2.270		52,750,075	136,864	642
8599999	Total - Exempt Money Market Mutual Funds as Identified by the SVO.....					52,750,075	136,864	642
All Other Money Market Mutual Funds								
316175 60 3	FIDELITY IMM:GOVT III.....		02/08/2018.....	2.020		106,500	176	1,073
8699999	Total - All Other Money Market Mutual Funds.....					106,500	176	1,073
8899999	Total - Cash Equivalents.....					75,085,098	137,039	5,562

QE13



MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....876

NAIC Company Code.....83470

	Individual Coverage		Group Coverage		5
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	Total Cash
1. Premiums collected.....	14,303,061	XXX	1,291,862	XXX	15,594,923
2. Earned premiums.....	14,069,604	XXX	1,292,001	XXX	XXX
3. Claims paid.....	11,967,671	XXX	1,282,179	XXX	13,249,850
4. Claims incurred.....	12,176,755	XXX	1,222,974	XXX	XXX
5. Reinsurance coverage and low income cost sharing - claims paid net of reimbursements applied (a).....	XXX	(2,046,701)	XXX	154,992	(1,891,709)
6. Aggregate policy reserves - change.....		XXX		XXX	XXX
7. Expenses paid.....	3,587,498	XXX	125,421	XXX	3,712,919
8. Expenses incurred.....	3,323,328	XXX	138,439	XXX	XXX
9. Underwriting gain or loss.....	(1,430,479)	XXX	(69,412)	XXX	XXX
10. Cash flow results.....	XXX	XXX	XXX	XXX	523,863

(a) Uninsured Receivable/Payable with CMS at End of Quarter \$.0 due from CMS or \$.1,454,205 due to CMS.