



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2017
 OF THE CONDITION AND AFFAIRS OF THE

CELTIC INSURANCE COMPANY

NAIC Group Code 1295 , 1295 NAIC Company Code 80799 Employer's ID Number 06-0641618
(Current Period) (Prior Period)

Organized under the Laws of Illinois , State of Domicile or Port of Entry Illinois

Country of Domicile United States

Licensed as business type: Life, Accident & Health [] Property/Casualty [] Hospital, Medical & Dental Service or Indemnity []
 Dental Service Corporation [] Vision Service Corporation [] Health Maintenance Organization []
 Other [] Is HMO, Federally Qualified? Yes [] No []

Incorporated/Organized 05/03/1949 Commenced Business 01/20/1950

Statutory Home Office 77 W. Wacker Drive, Suite 1200 , Chicago, IL, US 60601
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 77 W. Wacker Drive, Suite 1200
(Street and Number)
Chicago, IL, US 60601 800-714-4658
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 77 W. Wacker Drive, Suite 1200 , Chicago, IL, US 60601
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 77 W. Wacker Drive, Suite 1200
(Street and Number)
Chicago, IL, US 60601 800-714-4658
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Web Site Address www.celtic-net.com

Statutory Statement Contact Stephanie J. Lange , 314-519-0041
(Name) (Area Code) (Telephone Number) (Extension)
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OFFICERS

Name	Title	Name	Title
<u>Anand A. Shukla</u>	<u>President</u>	<u>David J. Burke</u>	<u>Vice President, Treasurer</u>
<u>Karen E. Wegg</u>	<u>Vice President</u>		

OTHER OFFICERS

<u>Barbara J. Basham</u>	<u>Vice President</u>	<u>John P. Ryan</u>	<u>Vice President</u>
<u>Steele Stewart</u>	<u>Vice President, Actuary</u>	<u>Tricia L. Dinkelman</u>	<u>Vice President of Tax</u>
<u>Keith H. Williamson</u>	<u>Secretary</u>		

DIRECTORS OR TRUSTEES

<u>Anand A. Shukla</u>	<u>Tricia L. Dinkelman</u>	<u>David J. Burke</u>	<u>Christopher R. Isaak</u>
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State of Illinois

County of Cook **ss**

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

Anand A. Shukla
President

David J. Burke
Vice President, Treasurer

Karen E. Wegg
Vice President

Subscribed and sworn to before me this _____ day of _____, 2018

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

Pedro Galvin, Notary Public
12/23/2019

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	554,074,427	0	554,074,427	199,786,624
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	51,060,488	0	51,060,488	26,338,338
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$ encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$ encumbrances)	0	0	0	0
5. Cash (\$156,717,586 , Schedule E-Part 1), cash equivalents (\$314,549,044 , Schedule E-Part 2) and short-term investments (\$3,919,628 , Schedule DA).....	475,186,255	0	475,186,255	239,737,937
6. Contract loans (including \$ premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA)	2,393,558	0	2,393,558	1,269,429
9. Receivables for securities	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,082,714,728	0	1,082,714,728	467,132,328
13. Title plants less \$ charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued	3,575,292	0	3,575,292	1,328,389
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	8,499,714	0	8,499,714	6,242,222
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....	0	0	0	0
15.3 Accrued retrospective premiums (\$1,095,423) and contracts subject to redetermination (\$)	1,095,423	0	1,095,423	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	14,510,149	0	14,510,149	19,892,987
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	46,925	0	46,925	864,974
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	12,536,618
18.2 Net deferred tax asset.....	11,111,458	0	11,111,458	15,948,262
19. Guaranty funds receivable or on deposit	0	0	0	3,852
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$)	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	24,542,151	0	24,542,151	64,810,375
24. Health care (\$11,371,535) and other amounts receivable.....	41,027,541	29,656,006	11,371,535	4,269,854
25. Aggregate write-ins for other-than-invested assets	13,666,206	763,880	12,902,326	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,200,789,587	30,419,886	1,170,369,701	593,029,861
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27)	1,200,789,587	30,419,886	1,170,369,701	593,029,861
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. ACA cost sharing reduction Receivable.....	12,027,487	0	12,027,487	0
2502. FFM User Fee.....	874,839	0	874,839	0
2503. Prepaid Expenses.....	763,880	763,880	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	13,666,206	763,880	12,902,326	0

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 4,288,955 reinsurance ceded)	247,617,577	0	247,617,577	107,255,508
2. Accrued medical incentive pool and bonus amounts	1,660,022	0	1,660,022	610,931
3. Unpaid claims adjustment expenses	3,459,854	0	3,459,854	1,664,877
4. Aggregate health policy reserves, including the liability of \$ 1,809,820 for medical loss ratio rebate per the Public Health Service Act	2,645,052	0	2,645,052	19,136,131
5. Aggregate life policy reserves	3,686,888	0	3,686,888	4,012,246
6. Property/casualty unearned premium reserves	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	65,200,065	0	65,200,065	44,681,266
9. General expenses due or accrued	30,196,578	0	30,196,578	14,936,364
10.1 Current federal and foreign income tax payable and interest thereon (including \$ (11,411) on realized capital gains (losses))	4,188,232	0	4,188,232	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	0	0	0	5,750,496
12. Amounts withheld or retained for the account of others	0	0	0	0
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including current)	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates	7,941,079	0	7,941,079	1,535,296
16. Derivatives	0	0	0	0
17. Payable for securities	1,250,000	0	1,250,000	0
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 1,597,746 unauthorized reinsurers and \$ certified reinsurers)	1,597,746	0	1,597,746	1,346,146
20. Reinsurance in unauthorized and certified (\$ companies)	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	0	0	0	0
23. Aggregate write-ins for other liabilities (including \$ current)	638,425,212	0	638,425,212	338,848,703
24. Total liabilities (Lines 1 to 23)	1,007,868,305	0	1,007,868,305	539,777,964
25. Aggregate write-ins for special surplus funds	XXX	XXX	38,957,471	0
26. Common capital stock	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	76,588,655	57,588,655
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	44,455,270	(6,836,758)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX	0	0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	162,501,396	53,251,897
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,170,369,701	593,029,861
DETAILS OF WRITE-INS				
2301. ACA risk adjustment payable	585,702,975	0	585,702,975	278,331,464
2302. ACA cost sharing reduction payable	44,556,476	0	44,556,476	59,854,501
2303. Unclaimed property	714,930	0	714,930	512,132
2398. Summary of remaining write-ins for Line 23 from overflow page	7,450,831	0	7,450,831	150,606
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	638,425,212	0	638,425,212	338,848,703
2501. Health insurer fee estimate	XXX	XXX	38,957,471	0
2502.	XXX	XXX	0	0
2503.	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	38,957,471	0
3001.	XXX	XXX	0	0
3002.	XXX	XXX	0	0
3003.	XXX	XXX	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	7,157,956	3,315,392
2. Net premium income (including \$0 non-health premium income).....	XXX	2,126,955,924	781,893,834
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	2,126,955,924	781,893,834
Hospital and Medical:			
9. Hospital/medical benefits		888,674,945	353,830,584
10. Other professional services		88,309,916	49,808,602
11. Outside referrals			0
12. Emergency room and out-of-area		178,329,504	78,482,760
13. Prescription drugs		415,107,090	143,934,749
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		6,071,816	1,439,572
16. Subtotal (Lines 9 to 15)	0	1,576,493,271	627,496,267
Less:			
17. Net reinsurance recoveries		18,944,388	25,137,233
18. Total hospital and medical (Lines 16 minus 17)	0	1,557,548,883	602,359,034
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$546,470 cost containment expenses.....		32,157,328	14,051,303
21. General administrative expenses.....		414,651,307	152,768,088
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		241,705	(120,853)
23. Total underwriting deductions (Lines 18 through 22)	0	2,004,599,223	769,057,572
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	122,356,701	12,836,262
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		10,075,299	2,474,118
26. Net realized capital gains (losses) less capital gains tax of \$(11,411)		(21,190)	51,071
27. Net investment gains (losses) (Lines 25 plus 26)	0	10,054,109	2,525,189
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$)(amount charged off \$11,965,843)].....		(11,965,843)	(5,525,501)
29. Aggregate write-ins for other income or expenses	0	925,034	857,906
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	121,370,001	10,693,856
31. Federal and foreign income taxes incurred	XXX	44,332,269	8,734,518
32. Net income (loss) (Lines 30 minus 31)	XXX	77,037,732	1,959,338
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Network rental.....		1,147,129	1,134,852
2902. Annuity income.....		(222,095)	(276,946)
2903. Interest maintenance reserve elimination.....			0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	925,034	857,906

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	53,251,897	38,188,792
34. Net income or (loss) from Line 32	77,037,732	1,959,338
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 25,403	19,473,667	12,517,389
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	(4,868,960)	11,880,449
39. Change in nonadmitted assets	(1,392,940)	(23,294,071)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	19,000,000	12,000,000
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	109,249,499	15,063,105
49. Capital and surplus end of reporting year (Line 33 plus 48)	162,501,396	53,251,897
DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	2,434,000,070	1,080,884,981
2. Net investment income	10,010,568	2,414,047
3. Miscellaneous income	1,147,129	1,132,930
4. Total (Lines 1 through 3)	2,445,157,768	1,084,431,958
5. Benefit and loss related payments	1,466,296,209	499,040,408
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	371,459,894	203,644,853
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	27,653,567	20,556,465
10. Total (Lines 5 through 9)	1,865,409,670	723,241,726
11. Net cash from operations (Line 4 minus Line 10)	579,748,097	361,190,232
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	98,629,515	14,568,641
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	389,404	179,725
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(8,424)	3,000
12.7 Miscellaneous proceeds	161	1
12.8 Total investment proceeds (Lines 12.1 to 12.7)	99,010,656	14,751,367
13. Cost of investments acquired (long-term only):		
13.1 Bonds	453,869,483	151,703,036
13.2 Stocks	0	6,500,000
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	1,440,953	60,000
13.6 Miscellaneous applications	0	1
13.7 Total investments acquired (Lines 13.1 to 13.6)	455,310,436	158,263,037
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(356,299,779)	(143,511,670)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	12,000,000	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	0	(2,736,203)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	12,000,000	(2,736,203)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	235,448,318	214,942,359
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	239,737,937	24,795,578
19.2 End of year (Line 18 plus Line 19.1)	475,186,255	239,737,937

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	2,126,955,924	2,126,955,924	0	0	0	0	0	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	2,126,955,924	2,126,955,924	0	0	0	0	0	0	0	0
8. Hospital/medical benefits	888,674,945	888,674,945								XXX
9. Other professional services	88,309,916	88,309,916								XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	178,329,504	178,329,504								XXX
12. Prescription drugs	415,107,090	415,107,090								XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	6,071,816	6,071,816								XXX
15. Subtotal (Lines 8 to 14)	1,576,493,271	1,576,493,271	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries	18,944,388	18,944,388								XXX
17. Total hospital and medical (Lines 15 minus 16)	1,557,548,883	1,557,548,883	0	0	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 546,470 cost containment expenses	32,157,328	32,157,328								
20. General administrative expenses	414,651,307	414,848,913	(195,045)	(2,561)						
21. Increase in reserves for accident and health contracts	241,705	241,705								XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	2,004,599,223	2,004,796,829	(195,045)	(2,561)	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	122,356,701	122,159,095	195,045	2,561	0	0	0	0	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)	2,141,370,774		14,414,850	2,126,955,924
2. Medicare Supplement	9,487,470		9,487,470	.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare .....				.0
7. Title XIX - Medicaid.....				.0
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	2,150,858,244	.0	23,902,320	2,126,955,924
10. Life	59,538		59,538	.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	2,150,917,782	0	23,961,858	2,126,955,924

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non- Health
1. Payments during the year:										
1.1 Direct	1,468,733,099	1,468,733,099								
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	24,229,339	24,229,339								
1.4 Net	1,444,503,760	1,444,503,760	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	5,022,725	5,022,725								
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	251,906,532	251,906,532	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	4,288,955	4,288,955	0	0	0	0	0	0	0	0
3.4 Net	247,617,577	247,617,577	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	1,660,022	1,660,022								
6. Net healthcare receivables (a).....	38,771,600	38,771,600								
7. Amounts recoverable from reinsurers December 31, current year	14,510,149	14,510,149								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	111,446,576	111,446,576	0	0	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	4,191,068	4,191,068	0	0	0	0	0	0	0	0
8.4 Net	107,255,508	107,255,508	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	610,931	610,931	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	19,892,987	19,892,987	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	1,570,421,455	1,570,421,455	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	18,944,388	18,944,388	0	0	0	0	0	0	0	0
12.4 Net	1,551,477,067	1,551,477,067	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	6,071,816	6,071,816	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	92,258,083	92,258,083								
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	0									
1.4. Net	92,258,083	92,258,083	0	0	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1. Direct	158,697,111	158,697,111								
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	4,288,955	4,288,955								
2.4. Net	154,408,156	154,408,156	0	0	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	951,338	951,338								
3.2. Reinsurance assumed	0									
3.3. Reinsurance ceded	0									
3.4. Net	951,338	951,338	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1. Direct	251,906,532	251,906,532	0	0	0	0	0	0	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	4,288,955	4,288,955	0	0	0	0	0	0	0	0
4.4. Net	247,617,577	247,617,577	0	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 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)	113,526,684	1,336,359,830	1,219,400	246,398,177	114,746,084	107,255,508
2. Medicare Supplement					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid.....					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	113,526,684	1,336,359,830	1,219,400	246,398,177	114,746,084	107,255,508
10. Healthcare receivables (a).....	9,921,266	3,074,351	0	35,697,165	9,921,266	9,921,266
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts	1,738,841	3,283,884	2,269,408	(609,386)	4,008,249	610,931
13. Totals (Lines 9-10+11+12)	105,344,259	1,336,569,363	3,488,808	210,091,626	108,833,067	97,945,173

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

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior .....	.0	.0	.0	.0	.0
2. 2013 .....	.0	.0	.0	.0	.0
3. 2014	XXX	84,426	95,690	95,690	95,690
4. 2015	XXX	XXX	97,267	127,666	127,666
5. 2016	XXX	XXX	XXX	508,567	613,911
6. 2017	XXX	XXX	XXX	XXX	1,336,569

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior .....	.0	.0	.0	.0	.0
2. 2013 .....	.0	.0	.0	.0	.0
3. 2014	XXX	103,086	95,690	95,690	95,690
4. 2015	XXX	XXX	131,819	128,076	127,666
5. 2016	XXX	XXX	XXX	606,102	617,400
6. 2017	XXX	XXX	XXX	XXX	1,546,661

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2013 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 2014	122,753	95,690	.0	.0	95,690	78.0	.0	.0	95,690	78.0
3. 2015	170,701	127,666	.0	.0	127,666	74.8	.0	.0	127,666	74.8
4. 2016	781,894	613,911	6,397	1.0	620,308	79.3	3,489	48	623,846	79.8
5. 2017	2,126,956	1,336,569	21,478	1.6	1,358,047	63.8	245,789	3,411	1,607,247	75.6

12-HM

Pt 2C - Sn A - Paid Claims - MS

NONE

Pt 2C - Sn A - Paid Claims - DO

NONE

Pt 2C - Sn A - Paid Claims - VO

NONE

Pt 2C - Sn A - Paid Claims - FE

NONE

Pt 2C - Sn A - Paid Claims - XV

NONE

Pt 2C - Sn A - Paid Claims - XI

NONE

Pt 2C - Sn A - Paid Claims - OT

NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior .....	.0	.0	.0	.0	.0
2. 2013 .....	.0	.0	.0	.0	.0
3. 2014	XXX	84,426	95,690	95,690	95,690
4. 2015	XXX	XXX	97,267	127,666	127,666
5. 2016	XXX	XXX	XXX	508,567	613,911
6. 2017	XXX	XXX	XXX	XXX	1,336,569

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior .....	.0	.0	.0	.0	.0
2. 2013 .....	.0	.0	.0	.0	.0
3. 2014	XXX	103,086	95,690	95,690	95,690
4. 2015	XXX	XXX	131,819	128,076	127,666
5. 2016	XXX	XXX	XXX	606,102	617,400
6. 2017	XXX	XXX	XXX	XXX	1,546,661

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2013 .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 2014	122,753	95,690	.0	.0	95,690	.78	.0	.0	95,690	.78
3. 2015	170,701	127,666	.0	.0	127,666	.74	.0	.0	127,666	.74
4. 2016	781,894	613,911	6,397	1.0	620,308	.79	3,489	48	623,846	.79
5. 2017	2,126,956	1,336,569	21,478	1.6	1,358,047	63.8	245,789	3,411	1,607,247	75.6

12-GT

Pt 2C - Sn B - Incurred Claims - MS

NONE

Pt 2C - Sn B - Incurred Claims - DO

NONE

Pt 2C - Sn B - Incurred Claims - VO

NONE

Pt 2C - Sn B - Incurred Claims - FE

NONE

Pt 2C - Sn B - Incurred Claims - XV

NONE

Pt 2C - Sn B - Incurred Claims - XI

NONE

Pt 2C - Sn B - Incurred Claims - OT

NONE

Part 2C - Sn C - Claims Expense Ratio MS

NONE

Part 2C - Sn C - Claims Expense Ratio DO

NONE

Part 2C - Sn C - Claims Expense Ratio VO

NONE

Part 2C - Sn C - Claims Expense Ratio FE

NONE

Part 2C - Sn C - Claims Expense Ratio XV

NONE

Part 2C - Sn C - Claims Expense Ratio XI

NONE

Part 2C - Sn C - Claims Expense Ratio OT

NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	712,806		712,806						
2. Additional policy reserves (a).....	2,502,576	835,232	1,667,344						
3. Reserve for future contingent benefits.....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	1,809,820	1,809,820							
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	5,025,202	2,645,052	2,380,150	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded	2,380,150		2,380,150						
8. Totals (Net) (Page 3, Line 4)	2,645,052	2,645,052	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$835,232 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building)			7,252,731		7,252,731
2. Salaries, wages and other benefits			136,996,079		136,996,079
3. Commissions (less \$ceded plus \$assumed)					0
4. Legal fees and expenses			2,803,905		2,803,905
5. Certifications and accreditation fees			289,109		289,109
6. Auditing, actuarial and other consulting services			39,497,813		39,497,813
7. Traveling expenses			3,840,412		3,840,412
8. Marketing and advertising			7,861,070		7,861,070
9. Postage, express and telephone			3,310,107		3,310,107
10. Printing and office supplies			2,237,146		2,237,146
11. Occupancy, depreciation and amortization			14,673,249		14,673,249
12. Equipment			1,173,353		1,173,353
13. Cost or depreciation of EDP equipment and software			27,930,362		27,930,362
14. Outsourced services including EDP, claims, and other services	546,470	31,610,858	111,668,431		143,825,759
15. Boards, bureaus and association fees			0		0
16. Insurance, except on real estate			1,194,904		1,194,904
17. Collection and bank service charges			1,148,862		1,148,862
18. Group service and administration fees			0		0
19. Reimbursements by uninsured plans			0		0
20. Reimbursements from fiscal intermediaries			0		0
21. Real estate expenses			671,510		671,510
22. Real estate taxes			460,602		460,602
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			5,477,544		5,477,544
23.2 State premium taxes			38,660,580		38,660,580
23.3 Regulatory authority licenses and fees			308,459		308,459
23.4 Payroll taxes			6,830,937		6,830,937
23.5 Other (excluding federal income and real estate taxes)			364,142		364,142
24. Investment expenses not included elsewhere				320,655	320,655
25. Aggregate write-ins for expenses	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25)	546,470	31,610,858	414,651,307	320,655	(a) 447,129,290
27. Less expenses unpaid December 31, current year		3,459,854	30,196,578		33,656,432
28. Add expenses unpaid December 31, prior year	0	1,664,877	14,936,364	0	16,601,241
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	546,470	29,815,881	399,391,093	320,655	430,074,099
DETAILS OF WRITE-INS					
2501.					
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598) (Line 25 above)	0	0	0	0	0

(a) Includes management fees of \$298,957,771 to affiliates and \$0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 46,713	52,838
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 4,256,112	6,440,108
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	4,149	4,149
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 2,604,189	3,687,562
7. Derivative instruments	(f)	
8. Other invested assets		211,297
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	6,911,164	10,395,954
11. Investment expenses		(g) 320,655
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		320,655
17. Net investment income (Line 10 minus Line 16)		10,075,299
DETAILS OF WRITE-INS		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes \$ 126,276 accrual of discount less \$ 2,308,449 amortization of premium and less \$ 1,469,902 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ 162,099 accrual of discount less \$ 48,324 amortization of premium and less \$ 17,251 paid for accrued interest on purchases.
 (f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	.381		.381		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(24,720)		(24,720)	4,340	
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	19,422,150	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	(8,262)		(8,262)	0	0
7. Derivative instruments	0		0		
8. Other invested assets	0	0	0	72,580	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(32,601)	0	(32,601)	19,499,070	0
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	19,408,309	19,408,309
24. Health care and other amounts receivable.....	29,656,006	9,350,643	(20,305,363)
25. Aggregate write-ins for other-than-invested assets	763,880	267,994	(495,886)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	30,419,886	29,026,946	(1,392,940)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	30,419,886	29,026,946	(1,392,940)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid expenses.....	763,880	267,994	(495,886)
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	763,880	267,994	(495,886)

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	26,378	40,327	36,139	33,348	30,209	423,751
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	224,559	619,886	567,334	534,682	501,667	6,734,205
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
7. Total	250,937	660,213	603,473	568,030	531,876	7,157,956
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

2017 ANNUAL STATEMENT NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

- A. The statutory financial statements of Celtic Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Illinois Department of Insurance.

The State of Illinois requires that insurance companies domiciled in the state of Illinois prepare their statutory-basis financial statements in accordance with the National Associate of Insurance Commissioners (NAIC) Accounting Practices and Procedures (AP&P) Manual subject to any deviations prescribed or permitted by the State of Illinois Insurance Commissioner. The Illinois Department of Insurance has adopted the NAIC AP&P manual with no significant prescribed differences affecting the Company.

	SSAP #	F/S Page	F/S Line #	12/31/2017	12/31/2016
NET INCOME					
(1) Celtic Insurance Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$ 77,037,732	\$ 1,959,338
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A		
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A		
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 77,037,732</u>	<u>\$ 1,959,338</u>
SURPLUS					
(5) Celtic Insurance Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 162,501,396	\$ 53,251,897
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A		
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:	N/A	N/A	N/A		
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 162,501,396</u>	<u>\$ 53,251,897</u>

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

The preparation of the statutory financial statements in conformity with accounting practices prescribed or permitted by the Illinois Department of Insurance requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the statutory financial statements and the reported amounts of revenue and expenses during the years then ended. Actual results could differ from those estimates.

C. Significant Accounting Policies

1) Cash, Cash Equivalents, and Short-Term Investments

Cash, cash equivalents, and short-term investments are carried at cost, which approximates fair value. Short-term investments include securities purchased within 12 months or less of maturity date.

2) Bonds

Investment grade bonds (NAIC designations 1 or 2) not backed by other loans are valued at amortized cost using the scientific (constant yield) method. Bonds containing call provisions, except "make whole" call provisions, are amortized to the call or maturity value/date which produces the lowest asset value (yield to worst). Bonds which are below investment grade (NAIC designation 3 to 6) are carried at the lower of amortized cost or fair value.

3) Common Stock

The Company has minor interests in subsidiary insurance companies that do not exceed 10% of admitted assets. The Company carries these interests based on the underlying audited statutory capital and surplus of the investees.

4) Preferred Stock

The Company holds no preferred stocks.

5) Mortgage Loans

The Company holds no mortgage loans.

6) Loan-Backed Securities

Loan-backed securities are carried at amortized cost. Adjustments are applied prospectively.

7) Investments in Subsidiaries, Controlled, and Affiliated Entities

The Company has no investments in non-insurance company subsidiaries, controlled and affiliated companies.

NOTES TO FINANCIAL STATEMENTS

8) Investments in Joint Ventures, Partnerships, and Limited Liability Companies

The Company has a minor interest in a joint venture that does not exceed 10% of admitted assets. The Company carries this interests based on the underlying audited GAAP equity of the investee.

9) Derivatives

The Company holds no derivatives.

10) Premium Deficiency Reserve

The Company reviews expectations regarding the profitability of contracts in force to determine whether a premium deficiency reserve is required. The Company considers anticipated investment income when calculating its premium deficiency reserves.

The adequacy of reserve requirements is continually reviewed by management, with any reductions in the reserve being recorded as a beneficial effect in the statement of revenue and expenses.

11) Claims Unpaid & Unpaid Claims Adjustment Expenses

Claims unpaid and unpaid claims adjustment expenses include amounts determined from claims estimates, loss reports, and an amount, based on experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts to be adequate, the ultimate liabilities may be in excess of or less than the amounts reported. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

12) Changes to the Capitalization Policy – None

13) Pharmaceutical Rebates

Pharmaceutical rebates are based on actual pharmaceutical claims experience.

14) Premium Revenue

Premiums are generally received in the month for which coverage applies and income from such premiums is recorded as earned during the period in which the Company is obligated to provide services to members. Premiums collected in advance of the month for which coverage applies are deferred and recorded as unearned premium revenue.

15) Investment Income Due and Accrued

The Company recognizes investment income when earned. The Company records receivables for investment income earned as of the reporting date but not paid to the Company until subsequent to the reporting date. The Company performs an evaluation of the receivables to determine whether impairment exists.

16) Reclassifications

Certain reclassifications have been made to prior year amounts to conform to current year presentation.

17) Events Subsequent

The Company evaluated subsequent events through March 1, 2018, the date the statutory financial statements were available to be issued. Refer to Note 22 for further discussion of material events which occurred subsequent to the reporting date.

D. Going Concern

The Company's management has not identified any conditions or events that raise substantial doubt about its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

The Company has no material changes in accounting principles or corrections of errors.

3. Business Combinations and Goodwill

A. Statutory Purchase Method – None

B. Statutory Merger – None

C. Assumption Reinsurance

The Company had no goodwill associated with assumption reinsurance transactions.

NOTES TO FINANCIAL STATEMENTS

D. Impairment Loss – None

4. Discontinued Operations – None

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans – None

B. Debt Restructuring – None

C. Reverse Mortgages – None

D. Loan-Backed Securities

- 1) The source used to determine prepayment assumptions for all loan-backed securities for the Company was S&P Capital IQ.
- 2) There were no securities within the scope of this statement with a recognized other-than-temporary impairment.
- 3) Not applicable
- 4) All impaired securities (fair value is less than cost or amortized) 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 impairment remains):
 - a. The aggregate amount of unrealized losses:
 - i. Less than 12 months (\$144,570)
 - ii. 12 months or longer (\$44,845)
 - b. The aggregate related fair value of securities with unrealized losses:
 - i. Less than 12 months \$56,389,020
 - ii. 12 months or longer \$2,972,441
- 5) For any security in an unrealized loss position, the Company assesses whether it intends to sell the security or if it is more likely than not that the Company will be required to sell the security before recovery of the amortized cost basis for reasons such as liquidity, contractual, or regulatory purposes. If the security meets this criterion, the decline in fair value is other than temporary and is recorded in earnings.

For loan-backed securities in an unrealized loss position, management further evaluates whether the collection of all cash flows is probable. Management utilizes the prospective adjustment method to evaluate the present value of future cash flows. For those loan-back and structured securities (NAIC designated 1 or 2) where management has determined that collection of all contractual cash flows is not probable, the securities are considered other-than-temporarily impaired to the extent amortized cost is greater than the present value of future cash flows.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions – None

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing – None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – None

H. Repurchase Agreements Transactions Accounted for as a Sale – None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale – None

J. Real Estate – None

K. Low-Income Housing Tax Credits (LIHTC) – None

L. Restricted Assets

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	1	2	3	4	5	6	7
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown							
b. Collateral held under security lending agreements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states	\$ 2,581,857	\$ 2,478,301	\$ 103,556	\$ -	\$ 2,581,857	0.2%	0.2%
k. On deposit with other regulatory bodies							
l. Pledged collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total Restricted Assets	\$ 2,581,857	\$ 2,478,301	\$ 103,556	\$ -	\$ 2,581,857	0.2%	0.2%

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

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

- M. Working Capital Finance Investments – None
- N. Offsetting and Netting of Assets and Liabilities – None
- O. Structured Notes – None
- P. 5* Securities – None
- Q. Short Sales – None
- R. Prepayment Penalty and Acceleration Fees

	General Account
1) Number of CUSIPs	<u>1</u>
2) Aggregate Amount of Investment Income	<u>\$24,000</u>

6. Joint Ventures, Partnerships, and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships, and limited liability companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investment in joint ventures, partnerships, and limited liability companies during the reporting periods.

7. Investment Income

- A. Investment income due and accrued with amounts greater than 90 days past due are excluded from statutory surplus.
- B. No amounts were excluded.

8. Derivative Instruments – None**9. Income Taxes**

NOTES TO FINANCIAL STATEMENTS

A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

The net deferred tax asset at December 31, 2017 and the change from the prior year are comprised of the following components:

(1) DTA/DTL Components	Description	2017			2016			Change		
		Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a)	Gross deferred tax assets	11,158,523	64,828	11,223,351	16,025,198	55,508	16,080,706	(4,866,675)	9,320	(4,857,355)
(b)	Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
(c)	Adjusted gross deferred tax assets	11,158,523	64,828	11,223,351	16,025,198	55,508	16,080,706	(4,866,675)	9,320	(4,857,355)
(d)	Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
(e)	Net admitted deferred tax assets	11,158,523	64,828	11,223,351	16,025,198	55,508	16,080,706	(4,866,675)	9,320	(4,857,355)
(f)	Deferred tax liabilities	(25,553)	(86,339)	(111,892)	(13,949)	(118,495)	(132,444)	(11,604)	32,156	20,552
(g)	Net admitted deferred tax asset/(Net deferred tax liability)	11,132,970	(21,511)	11,111,459	16,011,249	(62,987)	15,948,262	(4,878,279)	41,476	(4,836,803)

(2) Admission calculation components:

The amounts of admitted adjusted gross deferred tax assets admitted under each component of SSAP 101 are as follows:

Description	2017			2016			Change			
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total	
Admission calculation under ¶11.a.-¶11.c.										
(a)	FTI recoverable by loss carryback ¶11.a.]	11,158,523	-	11,158,523	16,025,198	-	16,025,198	(4,866,675)	-	(4,866,675)
(b)	Expected to be realized ¶11.b.] (lesser of i. or ii.)	-	-	-	-	-	-	-	-	-
	1. Expected to be realized ¶11.b.i.]	-	-	-	-	-	-	-	-	-
	2. Surplus limitation ¶11.b.ii.]	-	-	-	-	-	-	-	-	-
(c)	DTL offset ¶11.c.]	-	64,828	64,828	-	55,508	55,508	-	9,320	9,320
(d)	Total admitted under ¶11.a.-11.c.	11,158,523	64,828	11,223,351	16,025,198	55,508	16,080,706	(4,866,675)	9,320	(4,857,355)
	Deferred tax liabilities	(25,553)	(86,339)	(111,892)	(13,949)	(118,495)	(132,444)	(11,604)	32,156	20,552
	Net admitted deferred tax asset/liability under ¶11.a.-¶11.c.	11,132,970	(21,511)	11,111,459	16,011,249	(62,987)	15,948,262	(4,878,279)	41,476	(4,836,803)

(3) Information used in expected to be realized calculation ¶11.b.]

The information used in the expected to be realized calculation consists of the following:

	2017	2016
(a) Authorized control level risk-based capital ratio without net deferred tax assets	187%	141%
(b) Adjusted capital and surplus	151,389,938	37,303,395

(4) Impact of tax planning strategies:

Description	2017			2016			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Adjusted gross DTAs - Amount (Memo Entry)	-	-	-	-	-	-	-	-	-
(a) Adjusted gross DTAs - Percentage	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net admitted DTAs - Amount (Memo Entry)	-	-	-	-	-	-	-	-	-
(b) Net admitted DTAs - Percentage	0.00%	0.00%	0.00%	0.0%	0.00%	0.00%	0.00%	0.00%	0.00%
(c) Did the company avail itself of a tax planning strategy involving reinsurance? [check box]	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>					

B. Temporary differences for which DTLs have not been established:

Not applicable

C. Current tax and change in deferred tax:

(1) Current income taxes incurred consist of the following major components:

Description	2017	2016
(a) Current federal income tax expense	44,581,983	8,795,788
(b) Foreign Taxes	-	-
(c) Subtotal	44,581,983	8,795,788
(d) Tax on capital gains/(losses)	-	-
(e) Utilization of capital loss carryforwards	-	-
(f) Other, including prior year underaccrual (overaccrual)	(261,126)	(33,772)
(g) Federal and foreign income taxes incurred	44,320,857	8,762,016

Deferred income tax assets and liabilities consist of the following major components:

(2) DTAs Resulting From Book/Tax Differences In	December 31, 2017	December 31, 2016	Change
(a) Ordinary			
(1) Discounting of unpaid losses	499,659	310,819	188,840
(2) Unearned premium reserve	2,738,403	3,127,689	(389,286)
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrued	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	3,840	5,599	(1,759)
(9) Marketplace reinsurance fee	-	-	-
(10) Nonadmitted assets	6,388,176	10,159,431	(3,771,255)
(11) Net operating loss carryforward	-	-	-
(12) Tax credit carryforward	-	-	-
Allowance for doubtful accounts	826,427	2,150,243	(1,323,816)
Contingent benefit reserve	-	-	-
Premium deficiency reserve	175,399	207,734	(32,335)
Guarantee fund assessment	504,321	-	504,321
(13) Other (separately disclose items >5%)	22,298	63,683	(41,385)
(99) Gross ordinary DTAs	11,158,523	16,025,198	(4,866,675)
(b) Statutory valuation adjustment adjustment - ordinary	-	-	-
(c) Nonadmitted ordinary DTAs (-)	-	-	-
(d) Admitted ordinary DTAs	11,158,523	16,025,198	(4,866,675)
(e) Capital			
(1) Investments	-	-	-
(2) Net capital loss carryforward	-	-	-
(3) Real estate	-	-	-
(4) Other (separately disclose items >5%)	64,828	55,508	9,320
Unrealized capital losses	-	-	-
(99) Gross capital DTAs	64,828	55,508	9,320
(f) Statutory valuation adjustment adjustment - capital (-)	-	-	-
(g) Nonadmitted capital DTAs (-)	-	-	-
(h) Admitted capital DTAs	64,828	55,508	9,320
(i) Admitted DTAs	11,223,351	16,080,706	(4,857,355)

NOTES TO FINANCIAL STATEMENTS

(3) DTLs Resulting From Book/Tax Differences In	December 31, 2017	December 31, 2016	Change
(a) Ordinary			
(1) Investments	(19,270)	(2,091)	(17,179)
(2) Fixed assets	-	-	-
(3) Prepaid expenses	(6,283)	(11,858)	5,575
(4) Policyholder reserves/salvage and subrogation	-	-	-
(5) Other (separately disclose items >5%)	-	-	-
(99) Ordinary DTLs	(25,553)	(13,949)	(11,604)
(b) Capital			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other (separately disclose items >5%) Unrealized capital gains	(86,339)	(118,495)	32,156
(99) Capital DTLs	(86,339)	(118,495)	32,156
(c) DTLs	(111,892)	(132,444)	20,552
(4) Net deferred tax assets/liabilities	11,111,459	15,948,262	(4,836,803)

The change in deferred income taxes reported in surplus before consideration of nonadmitted assets are comprised of the following components:

	December 31, 2017	December 31, 2016	Change
Total deferred tax assets	11,223,351	16,080,706	(4,857,355)
Total deferred tax liabilities	(111,892)	(132,444)	20,552
Net deferred tax assets/liabilities	11,111,459	15,948,262	(4,836,803)
Statutory valuation allowance adjustment (*see explanation below)	-	-	-
Net deferred tax assets/liabilities after SVA	11,111,459	15,948,262	(4,836,803)
Tax effect of unrealized gains/(losses)	86,339	118,495	(32,156)
Change in net deferred income tax [(charge)/benefit]	11,197,798	16,066,757	(4,868,959)

***Statutory valuation allowance**

The valuation allowance adjustment to gross deferred tax assets as of December 31, 2017 and 2016 was \$0 and \$0, respectively. The net change in the total valuation allowance for the years ended December 31, 2017 was a decrease of (\$0).

D. Reconciliation of federal income tax rate to actual effective rate:

The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before income taxes as follows

Description	Effective Tax		Effective Tax	
	2017	Rate	2016	Rate
Income Before Taxes	121,358,596		10,721,356	
Statutory tax rate	35%		35%	
Expected income tax benefit at 35% statutory tax rate	42,475,509	35.00%	3,752,475	35.00%
Tax-Exempt Interest	(524,274)	-0.43%	(136,956)	-1.28%
Meals & Entertainment, Etc.	22,515	0.02%	18,935	0.18%
ACA fee	-	0.00%	1,201,009	11.20%
Stock compensation excess tax benefit	(168,244)	-0.14%	(57,020)	-0.53%
Statutory Valuation Allowance Adjustment	-	0.00%	-	0.00%
Interest maintenance reserve	-	0.00%	-	0.00%
162(m)(6) limitation	344,726	0.28%	365,890	3.41%
Changed in Enacted Tax Rates	7,465,198	6.15%	-	0.00%
Deferred Taxes on Nonadmitted Assets	(487,529)	-0.40%	(8,254,690)	-76.99%
Other, Including Prior Year True-Up	61,916	0.05%	(7,688)	-0.07%
Total	49,189,817	40.53%	(3,118,045)	-29.08%
Federal income taxed incurred [expense/(benefit)]	44,320,857	36.52%	8,762,018	81.72%
Tax on capital gains/(losses)	-	0.00%	-	0.00%
Change in net deferred income tax [charge/(benefit)]	4,868,959	4.01%	(11,880,063)	-110.81%
Total statutory income taxes	49,189,816	40.53%	(3,118,045)	-29.08%

E. Carryforwards, recoverable taxes, and IRC §6603 deposits:

1

-

As of December 31, 2017, the Company had no net operating loss or tax credit carryforwards available to tax purposes.

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

The following is income tax expense for 2016 and 2017 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2016	8,534,664	-	8,534,664
2017	44,581,983	-	44,581,983
Total	53,116,647	-	53,116,647

Deposits admitted under IRC § 6603
None

NOTES TO FINANCIAL STATEMENTS

F. Tax Contingencies and Uncertainties

During 2017, the Company calculated a multi-year benefit relating to domestic production activities. Due to the uncertain nature of this benefit, the full amount has been reserved through a tax contingency. The benefit and reserve for this item are captured in long-term assets, for a net balance sheet effect of \$0.

Tax Contingency for the period ending December 31, 2017: (268,707)

G. Tax Reform

On December 22, 2017, the United States enacted tax reform legislation through the Tax Cuts and Jobs Act, which significantly changes the existing U.S. tax laws, including a reduction in the corporate tax rate from 35% to 21%, as well as other changes. As a result of enactment of the legislation, the Company incurred an additional one-time surplus increase (decrease) during the 4th quarter of 2017, primarily related to the remeasurement of certain deferred tax assets and liabilities.

Surplus increase / (decrease) as a result of tax reform: 7,465,198

The Tax Cuts and Jobs Act of 2017 provides for a change in the methodology employed to calculate reserves for tax purposes. Beginning January 1, 2018, a higher interest rate assumption and longer payout patterns will be used to discount these reserves. In addition, companies will no longer be able to elect to use their own experience to discount reserves, but will instead be required to use the industry-based tables published by the IRS annually; however, the 2018 tables have yet to be released. Consequently, the company cannot reasonably estimate the impact this would have on deferred taxes at December 31, 2017.

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

A, B, C, F, G. The Company is a wholly owned subsidiary of Celtic Group, Inc., which is a wholly owned subsidiary of Centene Corporation.

During 2017 and 2016, Centene Management Company, LLC, a wholly owned subsidiary of Centene Corporation, provided data, claims processing, case management, care coordination, and general management services to the Company. Medical and administrative expenses included \$308,747,069 and \$115,805,562 for such services during the years ended December 31, 2017 and 2016, respectively.

Cenpatico Behavioral Health, LLC, an ultimately wholly owned subsidiary of Centene Corporation, provides managed behavioral health services to the Company. Medical expenses included \$38,215,595 and \$26,878,157 for such services for the years ended December 31, 2017 and 2016, respectively.

Involve Dental, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides dental benefits management services to the Company. Medical expenses included \$1,180,651 and \$1,373,928 for such services for the years ended December 31, 2017 and 2016, respectively.

Involve PeopleCare, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides nurse-line triage and health management services to the Company. Medical expenses included \$8,558,642 and \$5,618,339 for such services for the years ended December 31, 2017 and 2016, respectively.

Involve Pharmacy Solutions, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides pharmacy benefits management services to the Company. Medical and administrative expenses included \$418,561,224 and \$145,395,096 for such services for the years ended December 31, 2017 and 2016, respectively.

Involve Vision, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides managed vision services to the Company. Medical expenses included \$17,683,609 and \$7,804,708 for such services for the years ended December 31, 2017 and 2016, respectively.

Novasys Health, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides third party administrative services and network access to the Company. Administrative expenses included \$1,227,986 and \$709,769 for such services for the years ended December 31, 2017 and 2016, respectively.

California Health and Wellness Plan, a wholly owned subsidiary of Centene Corporation, obtains network access services from the Company. Revenues included \$1,147,129 and \$1,134,852 for such services for the years ended December 31, 2017 and 2016, respectively.

D. Included in the Company's balance sheet at December 31, 2017 were receivables and/or payables due from/due to parent, subsidiaries and affiliates of:

Affiliated Entity	12/31/2017 Receivable	12/31/2017 (Payable)
Arkansas Health & Wellness Solutions	\$ 10	\$ -
California Health and Wellness Plan	386,233	-
Celtic Group, Inc.	19,030,771	-
Cenpatico Behavioral Health, LLC	-	-
Centene Center I LLC	-	(2,236)
Centene Corporation	-	(1,105,913)
Centene Management Company, LLC	-	(769,890)
Involve Dental, Inc.	2,692,421	-
Involve PeopleCare, Inc.	-	(815,995)
Involve Pharmacy Solutions, Inc.	37,837,306	-
Involve Vision, Inc.	2,404,211	-
Novasys Health, Inc.	-	(708,001)
Superior HealthPlan, Inc.	-	(1,116)

NOTES TO FINANCIAL STATEMENTS

All balances are settled subsequent to the reporting date per the terms of the related contracts.

E. None

H. None

I. The Company owns a 100% interest in Ambetter of Magnolia Inc. and Ambetter of Peach State Inc. which are both insurance subsidiaries valued at audited statutory capital and surplus, neither of which exceed 10% of the admitted assets of the Company.

J. None

K. None

L. None

M. The Company only holds 8bi SCA investments; as such, not applicable.

N. The audited statutory capital and surplus of the Company's insurance subsidiaries do not reflect a departure from the NAIC AP&P.

11. Debt – None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences, and Other Postretirement Benefit Plans – None

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

- 1) The Company had 250,000 \$10 par value common shares authorized, issued and outstanding at December 31, 2017.
- 2) The Company had no preferred stock outstanding.
- 3) Dividends are paid as determined by the Board of Directors with the approval of the Illinois Department of Insurance, so long as the Company meets or exceeds minimum surplus requirements.
- 4) No dividends paid.
- 5) Within the limitations of Note 3 above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- 6) There were no restrictions placed on the Company's statutory surplus.
- 7) Not applicable
- 8) None
- 9) The increase in the special surplus fund from December 31, 2016 is due to health insurance issuers not being required to pay the fees under section 9010 of the Affordable Care Act based on business written in 2016.
- 10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses was \$33,315,833.
- 11) The Company did not issue any surplus debentures or similar obligations.
- 12) There have been no quasi-reorganizations.
- 13) There have been no quasi-reorganizations.

14. Liabilities, Contingencies, and Assessments

A. Contingent Commitments – None

B. Assessments –

1. On March 1, 2017, the Company received notification of the insolvency of Penn Treaty Insurance Company. It is expected that the insolvency will result in a retrospective premium-based guaranty fund assessment against the Company of \$3,946,023 that has been charged to operations in the current period and the liability recognized.
2. None
- 3.

NOTES TO FINANCIAL STATEMENTS

a. Discount Rate Applied 3.50%

b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments

Name of the Insolvency	Guaranty Fund Assessments		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
Penn Treaty Insurance Company	4,105,997	3,946,023	-	-

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

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Penn Treaty Insurance Company	1	2	2			

C. Gain Contingencies – None

D. Claims Related to Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits – None

E. Joint and Several Liabilities – None

F. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of business. Contingent liabilities arising from litigation, income taxes, and other matters are not considered material in relation to the statutory financial position of the Company.

The Company recognized impairment charges of \$11,965,843 and \$5,525,501 related to member premium receivables outstanding at December 31, 2017 and 2016, respectively. The \$1,288,842 and \$944,256 of member premium receivables recognized at December 31, 2017 and 2016, respectively, have a reasonable possibility that they will be deemed uncollectible.

15. Leases – None

16. Information About Financial Instruments With Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk – None

17. Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities – None

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans – None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators – None

20. Fair Value Measurements

A. Assets Measured at Fair Value on a Recurring Basis

Assets and liabilities recorded at fair value in the statutory statement of admitted assets, liabilities and capital and surplus are categorized based upon the extent to which the fair value estimates are based upon observable or unobservable inputs.

Level inputs are as follows:

Level input	Input definition
Level I	Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
Level II	Inputs other than quoted prices included in Level I that are observable for the asset or liability through corroboration with market data at the measurement date.
Level III	Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The following table summarizes fair value measurements by level at December 31, 2017 for admitted assets and liabilities measured at fair value on a recurring basis:

NOTES TO FINANCIAL STATEMENTS

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Cash, cash equivalents, and short-term investments	\$ 471,270,688	\$ -	\$ -	\$ 471,270,688
Perpetual preferred stock				
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-
Total perpetual preferred stocks	\$ -	\$ -	\$ -	\$ -
Bonds				
U.S. governments	\$ -	\$ -	\$ -	\$ -
Industrial and miscellaneous	-	3,915,567	-	3,915,567
Special revenue	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-
Total bonds	\$ -	\$ 3,915,567	\$ -	\$ 3,915,567
Common stocks				
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-
Total common stocks	\$ -	\$ -	\$ -	\$ -
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total derivative assets	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 471,270,688	\$ 3,915,567	\$ -	\$ 475,186,255
b. Liabilities at fair value				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

The following table summarizes fair value measurements by level at December 31, 2016 for admitted assets and liabilities measured at fair value on a recurring basis:

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Cash, cash equivalents, and short-term investments	\$ 236,886,199	\$ -	\$ -	\$ 236,886,199
Perpetual preferred stock				
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-
Total perpetual preferred stocks	\$ -	\$ -	\$ -	\$ -
Bonds				
U.S. governments	\$ -	\$ 2,636,254	\$ -	\$ 2,636,254
Industrial and miscellaneous	-	215,484	-	215,484
Special revenue	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-
Total bonds	\$ -	\$ 2,851,738	\$ -	\$ 2,851,738
Common stocks				
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-
Total common stocks	\$ -	\$ -	\$ -	\$ -
Derivative assets				
Interest rate contracts	\$ -	\$ -	\$ -	\$ -
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total derivative assets	\$ -	\$ -	\$ -	\$ -
Separate account assets	\$ -	\$ -	\$ -	\$ -
Total assets at fair value	\$ 236,886,199	\$ 2,851,738	\$ -	\$ 239,737,937
b. Liabilities at fair value				
Derivative liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -

B. Fair Value Disclosures Under Other Pronouncements – None

C. Aggregate Fair Value for All Financial Instruments

The following table summarizes fair value measurements by level at December 31, 2017 for all financial instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Cash, cash equivalents and short-term investments	\$ 471,270,688	\$ 471,270,688	\$ 471,270,688	\$ -	\$ -	\$ -
Bonds	557,587,815	557,989,994	13,072,880	544,514,935	-	-

The following table summarizes fair value measurements by level at December 31, 2016 for all financial instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Cash, cash equivalents and short-term investments	\$ 236,886,199	\$ 236,886,199	\$ 236,886,199	\$ -	\$ -	\$ -
Bonds	199,921,406	202,638,362	12,418,451	187,502,955	-	-

21. Other Items

NOTES TO FINANCIAL STATEMENTS

- A. Unusual or Infrequent Items – None
- B. Troubled Debt Restructuring: Debtors – None
- C. Other Disclosures – None
- D. Business Interruption Insurance Recoveries – None
- E. State Transferable and Non-Transferable Tax Credits – None
- F. Subprime-Mortgage-Related Risk Exposure – None
- G. Retained Assets – None
- H. Insurance-Linked Securities (ILS) Contracts – None

22. Events Subsequent

Type I – Recognized Subsequent Events –

Subsequent events have been considered through 3/1/2018 for the statutory statement issued on 3/1/2018.

On February 28, 2018, Celtic Group, Inc. (the parent) funded \$19 million of additional capital to the Company. This capital contribution is reflected as a contribution receivable and reflected in Line 23 Amount Due from Parent, Subs and Affiliates in in the December 31, 2017 statutory statements.

Type II – Nonrecognized Subsequent Events

Subsequent events have been considered through 3/1/2018 for the statutory statement issued on 3/1/2018.

On January 1, 2018, the Company will be subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity’s net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual becomes payable once the entity provides health insurance for a U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2017, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2018, and estimates its portion of the annual insurance industry fee to be payable on September 30, 2018 to be \$5,388,742. This amount is reflected in special surplus. Reporting the ACA assessment as of December 31, would not have triggered an RBC action level.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	Yes	
B. ACA fee assessment payable for the upcoming year	38,957,471.10	-
C. ACA fee assessment paid	-	3,431,450.00
D. Premium written subject to ACA 9010 assessment	2,126,955,924.00	781,893,834.00
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	162,501,396.00	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	123,543,924.90	
G. Authorized Control Level (Five-Year Historical Line 15)	80,634,453.00	
H. Would reporting the ACA assessment as of <date> have triggered an RBC action level (YES/NO)?	No	

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1) No

2) No

Section 2 – Ceded Reinsurance Report – Part A

1) No

2) No

Section 3 – Ceded Reinsurance Report – Part B

1) \$0

2) No

B. Uncollectible Reinsurance – None

C. Commutation of Ceded Reinsurance – None

NOTES TO FINANCIAL STATEMENTS

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – None

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premiums for its comprehensive individual health insurance business in accordance with the regulations put forth in Title 45 of the Code of Federal Regulations Part 158 for the ACA MLR Rebate Program.
- B. The Company records accrued retrospective premiums through written premium.
- C. The amount of net premiums written by the Company for the years ended December 31, 2017 and 2016 which were subject to retrospective rating features was \$2,126,955,924 and \$781,893,834, respectively, which represented 100% of the total net premiums written.
- D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ 3,112,246	\$ -	\$ -	\$ -	\$ 3,112,246
(2) Medical loss ratio rebates paid	784,875	-	-	-	784,875
(3) Medical loss ratio rebates unpaid	9,348,047	-	-	-	9,348,047
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 9,348,047
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ (7,538,227)	\$ -	\$ -	\$ -	\$ (7,538,227)
(8) Medical loss ratio rebates paid	14,912,973	-	-	-	14,912,973
(9) Medical loss ratio rebates unpaid	1,809,820	-	-	-	1,809,820
(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	\$ 1,809,820

E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

1. Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)?	Yes
2. Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a) Permanent ACA Risk Adjustment Program	
Assets	
1) Premium adjustments receivable due to ACA Risk Adjustment	\$ -
Liabilities	
2) Risk adjustment user fees payable for ACA Risk Adjustment	656,939
3) Premium adjustments payable due to ACA Risk Adjustment	584,607,552
Operations (Revenue & Expense)	
4) Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk adjustment	550,683,018
5) Reported in expenses as ACA risk adjustment user fees (incurred/paid)	966,125
b) Transitional ACA Reinsurance Program	
Assets	
1) Amounts recoverable for claims paid due to ACA Reinsurance	3,034,288
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 premiums	-
5) Ceded reinsurance premiums payable due to ACA Reinsurance	-
6) Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	-
Operations (Revenue & Expense)	
7) Ceded reinsurance premiums due to ACA Reinsurance	-
8) Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	14,414,850
9) ACA Reinsurance contributions - not reported as ceded premium	-
c) Temporary ACA Risk Corridors Program	
Assets	
1) Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2) Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expense)	
3) Effect of ACA Risk Corridors on net premium income	2,890,141
4) Effect of ACA Risk Corridors on change in reserves for rate credits	-

3) Roll-Forward of Prior year ACA Risk-Sharing Provisions

NOTES TO FINANCIAL STATEMENTS

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	5	6	7	8	9	10	
											Receivable
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	-	-	-	-	-	-	-	-	-	-	-
2. Premium adjustments (payable)	-	(278,331,615)	-	(259,365,894)	-	(18,965,721)	-	19,003,877	A	-	38,156
3. Subtotal ACA Permanent Risk Adjustment Program	-	(278,331,615)	-	(259,365,894)	-	(18,965,721)	-	19,003,877		-	38,156
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	16,314,715	-	16,673,103	-	(358,388)	-	3,392,676	-	B	3,034,288	-
2. Amounts recoverable for claims unpaid (contra liability)	-	2,093,126	-	-	-	2,093,126	-	(2,093,126)	B	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-		-	-
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	-	(1,437,624)	-	(1,437,786)	-	162	-	(162)		-	0
5. Ceded reinsurance premiums payable	-	(5,750,496)	-	(5,750,496)	-	-	-	-		-	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-		-	-
7. Subtotal ACA Transitional Reinsurance Program	16,314,715	(5,094,994)	16,673,103	(7,188,282)	(358,388)	2,093,288	3,392,676	(2,093,288)		3,034,288	-
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	(9,194,557)	-	(12,084,698)	-	2,890,141	-	(2,890,141)	C	-	0
3. Subtotal ACA Risk Corridors Program	-	(9,194,557)	-	(12,084,698)	-	2,890,141	-	(2,890,141)		-	0
d. Total for ACA Risk Sharing Provisions	16,314,715	(292,621,166)	16,673,103	(278,638,874)	(358,388)	(13,982,292)	3,392,676	14,020,448		3,034,288	38,156

Explanation of Adjustments:

A – Change in estimate. Risk Adjustment Payable for the 2016 benefit year as announced by CMS on June 30, 2017 paid in August 2017. Remaining Risk Adjustment Receivables for 2016 benefit year outstanding from CMS.

B – Change in estimate. Conversion of unpaid recoveries to paid recoveries prior to the April 30, 2017 EDGE Server submission due date for the 2016 Transitional Reinsurance program.

C- Change in estimate. 2016 Risk Corridor calculated using final Risk Adjustment and Transitional Reinsurance amounts and development of medical expenses through March 31, 2017.

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

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	1	2	3	4	5	6	7	8	9	10	
											Receivable
a. 2014											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
b. 2015											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
c. 2016											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	(9,194,557)	-	(12,084,698)	-	2,890,141	-	(2,890,141)	A	-	0
d. Total for Risk Corridors	-	(9,194,557)	-	(12,084,698)	-	2,890,141	-	(2,890,141)		-	0

Explanation of Adjustments:

A - Change in estimate. 2016 Risk Corridor calculated using final Risk Adjustment and Transitional Reinsurance amounts and development of medical expenses through March 31, 2017.

5) ACA Risk Corridors Receivable as of Reporting Date – None

25. Change in Incurred Claims and Claims Adjustment Expenses

Reserves at December 31, 2016 were approximately \$107.3 million. As of December 31, 2017, approximately \$105.3 million had been paid for claims incurred and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately \$3.5 million as a result of re-estimation of unpaid claims and claim adjustment expenses on the Company’s accident and health line of insurance resulting in approximately \$7.5 million unfavorable prior year development during the year ended December 31, 2017. This change is generally the result of ongoing analysis of recent loss development trends. Original estimates are adjusted as additional information becomes known.

26. Intercompany Pooling Arrangements – None

27. Structured Settlements – Not applicable

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

NOTES TO FINANCIAL STATEMENTS

Quarter	Estimated Pharmacy Rebates as Reported on Statutory Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2017	\$ 11,371,535	\$ 11,371,535	\$ -	\$ -	\$ -
9/30/2017	8,370,134	8,370,134	-	-	-
6/30/2017	11,122,572	11,122,572	-	-	-
3/31/2017	10,314,807	10,314,807	-	-	3,124,961
12/31/2016	3,242,815	3,242,815	-	-	3,354,352
9/30/2016	2,733,373	2,733,373	-	-	2,846,749
6/30/2016	1,736,635	1,736,635	-	-	2,356,737
3/31/2016	1,942,131	1,942,131	-	-	1,520,453
12/31/2015	711,294	711,294	-	-	655,341
9/30/2015	639,623	639,623	-	-	635,878
6/30/2015	598,300	598,300	-	-	406,175
3/31/2015	520,247	520,247	-	-	449,630

B. Risk-Sharing Receivables – None

29. Participating Policies – None

30. Premium Deficiency Reserves

- | | |
|-------------------------------------------------------------------|-------------------|
| 1) Liability carried for premium deficiency reserves | \$835,232 |
| 2) Date of the most recent evaluation of this liability | December 31, 2017 |
| 3) Was anticipated investment income utilized in the calculation? | Yes [X] No [] |

31. Anticipated Salvage and Subrogation – None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] N/A []
- 1.3 State Regulating? Illinois.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2017
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2009
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).06/22/2011
- 3.4 By what department or departments? Illinois Department of Insurance.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No []
- 4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No []
- 4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No []
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,0.0
- 7.21 State the percentage of foreign control0.0
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
.....
.....
.....
.....
.....

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 KPMG, 10 South Broadway, St. Louis, MO 63102.....
 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
 10.2 If the response to 10.1 is yes, provide information related to this exemption:
 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
 10.4 If the response to 10.3 is yes, provide information related to this exemption:
 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
 10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Ken Clark, F.S.A, M.A.A.A, Consulting Actuary, Milliman, 71 South Wacker Drive, 31st Floor, Chicago, IL 60606.....
 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 12.11 Name of real estate holding company
 12.12 Number of parcels involved0
 12.13 Total book/adjusted carrying value \$.....
 12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 c. Compliance with applicable governmental laws, rules and regulations;
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 e. Accountability for adherence to the code.
 14.11 If the response to 14.1 is no, please explain:
 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
 14.21 If the response to 14.2 is yes, provide information related to amendment(s)
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
.....
.....
.....

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....
 - 20.12 To stockholders not officers \$.....
 - 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
 - 20.22 To stockholders not officers \$.....
 - 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
 - 21.22 Borrowed from others \$.....
 - 21.23 Leased from others \$.....
 - 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....260,139,581
 - 22.22 Amount paid as expenses \$.....196,323
 - 22.23 Other amounts paid \$.....0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....19,030,771

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
 - 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
 - 24.103 Total payable for securities lending reported on the liability page \$.....0

GENERAL INTERROGATORIES

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

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

25.21 Subject to repurchase agreements	\$
25.22 Subject to reverse repurchase agreements	\$
25.23 Subject to dollar repurchase agreements	\$
25.24 Subject to reverse dollar repurchase agreements	\$
25.25 Placed under option agreements	\$
25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$
25.27 FHLB Capital Stock	\$
25.28 On deposit with states	\$2,581,857
25.29 On deposit with other regulatory bodies	\$
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	\$
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	\$
25.32 Other	\$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Brown Brothers Harriman Trust Company.....	140 Broadway, New York, NY 10005.....
Wells Fargo Clearing Services, LLC.....	One North Jefferson Ave, St. Louis, MO 63103.....

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

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

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

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

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

GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
Brown Brothers Harriman.....	U.....
Wells Capital Management.....	U.....
Wells Fargo Securities.....	U.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s assets?

Yes [X] No []

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity’s assets?

Yes [] No [X]

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104487.....	Brown Brothers Harriman.....		FINRA.....	NO.....
104973.....	Wells Capital Management.....	549300B3H21002L85190.....	SEC.....	NO.....
126292.....	Wells Fargo Securities.....	VYVVKR63DVZLN70PB21.....	SEC.....	NO.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	596,740,460	596,338,282	(402,178)
30.2 Preferred Stocks.....	0		0
30.3 Totals	596,740,460	596,338,282	(402,178)

30.4 Describe the sources or methods utilized in determining the fair values:

Received from Clearwater from S&P.....

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker’s or custodian’s pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [X] No []

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

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

Yes [X] No []

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements of each self-designated 5*GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist.
 - 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 5*GI securities?

Yes [] No []

OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$

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

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$

35.1 Amount of payments for legal expenses, if any? \$164,175

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Lewis Rice, LLC.....	\$164,175

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

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$
.....	\$
.....	\$

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [X] No []
- 1.2 If yes, indicate premium earned on U.S. business only. \$7,801,571
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$0
- 1.31 Reason for excluding
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$6,074,176
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$5,098
- 1.62 Total incurred claims \$1,321
- 1.63 Number of covered lives1
- All years prior to most current three years:
- 1.64 Total premium earned \$7,796,473
- 1.65 Total incurred claims \$6,072,855
- 1.66 Number of covered lives1,947
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives0
- All years prior to most current three years:
- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$2,126,955,924		\$781,893,834
2.2	Premium Denominator	\$2,126,955,924		\$781,893,834
2.3	Premium Ratio (2.1/2.2)	.....1.000		.....1.000
2.4	Reserve Numerator	\$177,883,269		\$88,023,907
2.5	Reserve Denominator	\$251,922,651		\$127,002,570
2.6	Reserve Ratio (2.4/2.5)	.....0.706		.....0.693

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$300,000
- 5.32 Medical Only \$
- 5.33 Medicare Supplement \$
- 5.34 Dental and Vision \$
- 5.35 Other Limited Benefit Plan \$
- 5.36 Other \$
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
 Agreements in provider contracts include hold harmless provisions.
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No []
- 7.2 If no, give details
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year11,056
- 8.2 Number of providers at end of reporting year111,609
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months
- 9.22 Business with rate guarantees over 36 months

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No
- 10.2 If yes:
- | | | |
|-----------------------------------------------|---------|-----------|
| 10.21 Maximum amount payable bonuses | \$..... | 0 |
| 10.22 Amount actually paid for year bonuses | \$..... | 5,022,725 |
| 10.23 Maximum amount payable withholds | \$..... | 0 |
| 10.24 Amount actually paid for year withholds | \$..... | 0 |
- 11.1 Is the reporting entity organized as:
- | | |
|-----------------------------------------------------|---------------------------------------------------------------------|
| 11.12 A Medical Group/Staff Model, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.13 An Individual Practice Association (IPA), or, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.14 A Mixed Model (combination of above) ? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes No
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. Illinois.....
- 11.4 If yes, show the amount required. \$.....161,589,104
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes No
- 11.6 If the amount is calculated, show the calculation
200% of authorized control level
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Alabama.....
Alaska.....
Arizona.....
Arkansas.....
California.....
Colorado.....
Connecticut.....
Delaware.....
District of Columbia.....
Florida.....
Georgia.....
Hawaii.....
Idaho.....
Illinois.....
Indiana.....
Iowa.....
Kansas.....
Kentucky.....
Louisiana.....
Maine.....
Maryland.....
Massachusetts.....
Michigan.....
Minnesota.....
Mississippi.....
Missouri.....
Montana.....
Nebraska.....
Nevada.....
New Hampshire.....
New Jersey.....
New Mexico.....
North Carolina.....
North Dakota.....
Ohio.....
Oklahoma.....
Oregon.....
Pennsylvania.....
Rhode Island.....
South Carolina.....
South Dakota.....
Tennessee.....
Texas.....
Utah.....
Vermont.....
Virginia.....
Washington.....
West Virginia.....
Wisconsin.....
Wyoming.....

- 13.1 Do you act as a custodian for health savings accounts? Yes No
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....
- 13.3 Do you act as an administrator for health savings accounts? Yes No
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3 as authorized reinsurers? Yes No N/A
- 14.2 If the answer to 14.1 is yes, please provide the following:

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other

15. Provide the following for Individual ordinary life insurance* policies (U.S. business Only) for the current year:

15.1 Direct Premium Written (prior to reinsurance ceded)	\$	59,538
15.2 Total incurred claims	\$	0
15.3 Number of covered lives	.....	149

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

FIVE - YEAR HISTORICAL DATA

	1 2017	2 2016	3 2015	4 2014	5 2013
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	1,170,369,701	593,029,861	139,895,927	136,599,483	83,524,715
2. Total liabilities (Page 3, Line 24)	1,007,868,305	539,777,964	101,707,136	107,238,823	39,703,044
3. Statutory minimum capital and surplus requirement	161,589,104	52,864,078	13,081,486	0	0
4. Total capital and surplus (Page 3, Line 33)	162,501,396	53,251,897	38,188,792	29,360,659	43,821,671
Income Statement (Page 4)					
5. Total revenues (Line 8)	2,126,955,924	781,893,834	170,700,969	129,792,518	125,088,430
6. Total medical and hospital expenses (Line 18)	1,557,548,883	602,359,034	120,697,083	96,883,123	106,572,606
7. Claims adjustment expenses (Line 20)	32,157,328	14,051,303	4,000,449	4,527,643	0
8. Total administrative expenses (Line 21)	414,651,307	152,768,088	31,324,432	23,854,908	0
9. Net underwriting gain (loss) (Line 24)	122,356,701	12,836,262	14,748,166	4,526,844	0
10. Net investment gain (loss) (Line 27)	10,054,109	2,525,189	1,126,373	1,014,703	1,371,906
11. Total other income (Lines 28 plus 29)	(11,040,809)	(4,667,595)	694,965	543,299	0
12. Net income or (loss) (Line 32)	77,037,732	1,959,338	8,309,068	4,309,808	0
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	579,748,097	361,190,232	(46,424,626)	73,452,178	(7,872,936)
Risk-Based Capital Analysis					
14. Total adjusted capital	162,501,396	53,251,897	38,188,792	29,360,659	44,172,728
15. Authorized control level risk-based capital	80,634,453	26,432,039	3,173,231	329,975	5,445,377
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	531,876	250,937	55,169	0	0
17. Total members months (Column 6, Line 7)	7,157,956	3,315,392	617,892	0	0
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	73.2	77.0	70.7	74.6	0.0
20. Cost containment expenses	0.0	0.1	0.4	0.0	0.0
21. Other claims adjustment expenses	1.5	1.7	3.5	0.0	0.0
22. Total underwriting deductions (Line 23)	94.2	98.4	91.4	96.5	0.0
23. Total underwriting gain (loss) (Line 24)	5.8	1.6	8.6	3.5	0.0
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	108,833,067	30,739,899	11,459,888	0	0
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	97,945,173	34,483,140	19,987,569	0	0
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	51,060,488	26,338,338	7,353,019	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	51,060,488	26,338,338	7,353,019	0	0
33. Total investment in parent included in Lines 26 to 31 above					

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

If no, please explain

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	L	131,851				1,841		133,692	0
2. Alaska	AK	L	3,898						3,898	0
3. Arizona	AZ	L	9,847				517		10,364	0
4. Arkansas	AR	L	380,826,585				4,359		380,830,944	0
5. California	CA	L	13,281						13,281	0
6. Colorado	CO	L	6,304						6,304	0
7. Connecticut	CT	L	179,047				438		179,485	0
8. Delaware	DE	L	16,027				70		16,097	0
9. District of Columbia	DC	L	0						0	0
10. Florida	FL	L	719,026,338				845		719,027,183	0
11. Georgia	GA	L	320,812				162		320,974	0
12. Hawaii	HI	L	0						0	0
13. Idaho	ID	L	0						0	0
14. Illinois	IL	L	82,505,623				3,553		82,509,176	0
15. Indiana	IN	L	180,482,546				695		180,483,241	0
16. Iowa	IA	L	88,923				127		89,050	0
17. Kansas	KS	L	27,560						27,560	0
18. Kentucky	KY	L	0				610		610	0
19. Louisiana	LA	L	16,121						16,121	0
20. Maine	ME	L	0				85		85	0
21. Maryland	MD	L	27,786						27,786	0
22. Massachusetts	MA	L	0				2,831		2,831	0
23. Michigan	MI	L	10,463				461		10,924	0
24. Minnesota	MN	L	(6,336)						(6,336)	0
25. Mississippi	MS	L	91,993				343		92,336	0
26. Missouri	MO	L	49,895						49,895	0
27. Montana	MT	L	1,014						1,014	0
28. Nebraska	NE	L	135,620				498		136,118	0
29. Nevada	NV	L	12,022						12,022	0
30. New Hampshire	NH	L	89,068,267						89,068,267	0
31. New Jersey	NJ	L	926,288						926,288	0
32. New Mexico	NM	L	52,742				5,780		58,522	0
33. New York	NY	L	0				95		95	0
34. North Carolina	NC	L	43,666				3,482		47,148	0
35. North Dakota	ND	L	6,846						6,846	0
36. Ohio	OH	L	80,252				2,958		83,210	0
37. Oklahoma	OK	L	9,666				144		9,810	0
38. Oregon	OR	L	215						215	215
39. Pennsylvania	PA	L	83,398						83,398	0
40. Rhode Island	RI	L	4,674						4,674	0
41. South Carolina	SC	L	100,063				4,902		104,965	0
42. South Dakota	SD	L	49,185				308		49,493	0
43. Tennessee	TN	L	14,725				5,393		20,118	0
44. Texas	TX	L	696,291,065				10,977		696,302,042	0
45. Utah	UT	L	9,190						9,190	0
46. Vermont	VT	L	19,924						19,924	0
47. Virginia	VA	L	88,198				4,607		92,805	0
48. Washington	WA	L	0						0	0
49. West Virginia	WV	L	23,462						23,462	0
50. Wisconsin	WI	L	0				1,481		1,481	0
51. Wyoming	WY	L	9,198				1,976		11,174	0
52. American Samoa	AS	N	0						0	0
53. Guam	GU	N	0						0	0
54. Puerto Rico	PR	N	0						0	0
55. U.S. Virgin Islands	VI	N	0						0	0
56. Northern Mariana Islands	MP	N	0						0	0
57. Canada	CAN	N	0						0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		2,150,858,244	0	0	0	59,538	0	2,150,917,782	215
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 51		2,150,858,244	0	0	0	59,538	0	2,150,917,782	215
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0	0	0

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

Explanation of basis of allocation by states, premiums by state, etc. All premiums are allocated to the state in which premiums are written.

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

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

Centene Corporation	42-1406317	DE	
Bankers Reserve Life Insurance Company of Wisconsin	39-0993433	WI	71013
Health Plan Real Estate Holding, Inc (17%)	46-2860967	MO	
Peach State Health Plan, Inc	20-3174593	GA	12315
Health Plan Real Estate Holding, Inc (21%)	46-2860967	MO	
Iowa Total Care, Inc	46-4829006	IA	15713
Buckeye Community Health Plan, Inc	32-0045282	OH	11834
Health Plan Real Estate Holding, Inc (13%)	46-2860967	MO	
Absolute Total Care, Inc	20-5693998	SC	12959
Health Plan Real Estate Holding, Inc (1%)	46-2860967	MO	
Physicians Choice, LLC	59-3807546	SC	
PhyTrust of South Carolina LLC	65-1206841	FL	
Coordinated Care Corporation d/b/a Managed Health Services	39-1821211	IN	95831
Health Plan Real Estate Holding, Inc (15%)	46-2860967	MO	
Healthy Washington Holdings, Inc	46-5523218	DE	
Coordinated Care of Washington, Inc	46-2578279	WA	15352
Managed Health Services Insurance Corp	39-1678579	WI	96822
Health Plan Real Estate Holding, Inc (2%)	46-2860967	MO	
Hallmark Life Insurance Co	86-0819817	AZ	60078
Superior HealthPlan, Inc	74-2770542	TX	95647
Health Plan Real Estate Holding, Inc (21%)	46-2860967	MO	
Healthy Louisiana Holdings LLC	27-0916294	DE	
Louisiana Healthcare Connections, Inc	27-1287287	LA	13970
Magnolia Health Plan Inc	20-8570212	MS	13923
IlliniCare Health Plan, Inc	27-2186150	IL	14053
Health Plan Real Estate Holding, Inc (5%)	46-2860967	MO	
Sunshine Health Holding LLC	26-0557093	FL	
Sunshine State Health Plan, Inc	20-8937577	FL	13148
Access Health Solutions LLC	56-2384404	FL	
Kentucky Spirit Health Plan, Inc	45-1294925	KY	14100
Healthy Missouri Holding, Inc (95%)	45-5070230	MO	
Home State Health Plan, Inc	45-2798041	MO	14218
Health Plan Real Estate Holding, Inc (5%)	46-2860967	MO	
Sunflower State Health Plan, Inc	45-3276702	KS	14345
Granite State Health Plan, Inc	45-4792498	NH	14226
California Health and Wellness Plan	46-0907261	CA	
Michigan Complete Health, Inc.	30-0312489	MI	10769
Western Sky Community Care, Inc.	45-5583511	NM	
SilverSummit Healthplan, Inc.	20-4761189	NV	16143
Agate Resources, Inc.	20-0483299	OR	
Trillium Community Health Plan, Inc.	42-1694349	OR	12559

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

Agate Properties, LLC	26-4475075	OR	
Nebraska Total Care, Inc.	47-5123293	NE	15902
Pennsylvania Health & Wellness, Inc.	47-5340613	PA	16041
Superior HealthPlan Community Solutions, Inc.	47-5664832	TX	15912
Sunshine Health Community Solutions, Inc.	47-5667095	FL	15927
Buckeye Health Plan Community Solutions, Inc.	47-5664342	OH	16112
Arkansas Health & Wellness Health Plan, Inc.	81-1282251	AR	16130
Arkansas Total Care Holding Company, LLC (49%)	38-4042368	DE	
Arkansas Total Care, Inc.	82-2649097	AR	16256
Healthy Oklahoma Holdings, Inc.	81-2788043	DE	
Oklahoma Complete Health Inc.	81-3121527	OK	
Bridgeway Health Solutions, LLC	20-4980875	DE	
Bridgeway Health Solutions of Arizona Inc.	20-4980818	AZ	
Celtic Group, Inc	36-2979209	DE	
Celtic Insurance Company	06-0641618	IL	80799
Ambetter of Magnolia Inc	35-2525384	MS	15762
Ambetter of Peach State Inc.	36-4802632	GA	15729
Novasys Health, Inc	27-2221367	DE	
CeltiCare Health Plan Holdings LLC	26-4278205	DE	
CeltiCare Health Plan of Massachusetts, Inc.	26-4818440	MA	13632
Centene Management Company LLC	39-1864073	WI	
CMC Real Estate Co. LLC	20-0057283	DE	
Centene Center LLC	26-4094682	DE	
Centene Center I, LLC	82-1816153	DE	
Centene Center II, LLC	47-5156015	DE	
Centene Center III, LLC	82-3210933	DE	
CMC Hanley, LLC	46-4234827	MO	
Forhan, LLC	47-2914561	MO	
Hanley-Forsyth, LLC	37-1766939	MO	
GPT Acquisition LLC	45-5431787	DE	
Clayton Property Investment LLC	45-4372065	DE	
LSM Holdco, Inc.	46-2794037	DE	
Lifeshare Management Group, LLC	46-2798132	NH	
CCTX Holdings, LLC	20-2074217	DE	
Centene Company of Texas, LP (1%)	74-2810404	TX	
Centene Holdings, LLC	20-2074277	DE	
Centene Company of Texas, LP (99%)	74-2810404	TX	
MHS Travel & Charter, Inc	43-1795436	WI	
Health Care Enterprises, LLC	46-4855483	DE	
Envolve Holdings, Inc.	22-3889471	DE	
Cenpatico Behavioral Health, LLC	68-0461584	CA	

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

CBHSP Arizona, Inc	86-0782736	AZ	
Cenpatico of California, Inc	47-2595704	CA	
Integrated Mental Health Mgmt, LLC	74-2892993	TX	
Integrated Mental Health Services	74-2785494	TX	
Cenpatico Behavioral Health of Arizona, LLC	20-1624120	AZ	
Cenpatico of Arizona Inc. (80%)	80-0879942	AZ	
Envolve, Inc.	37-1788565	DE	
AHA Administrative Services, LLC	47-4545413	AL	
Envolve - New York, Inc.	47-3454898	NY	
Community Care of Central Colorado, LLC	82-2288767	DE	
Envolve PeopleCare, Inc.	06-1476380	DE	
LiveHealthier, Inc.	47-2516714	DE	
Envolve Benefits Options, Inc.	61-1846191	DE	
Envolve Vision Benefits, Inc.	20-4730341	DE	
Envolve Captive Insurance Company, Inc.	36-4520004	SC	
Envolve Vision of Texas, Inc.	75-2592153	TX	95302
Envolve Vision, Inc	20-4773088	DE	
Envolve Vision of Florida, Inc	65-0094759	FL	
Envolve Total Vision, Inc.	20-4861241	DE	
Envolve Vision of New York, Inc.	06-1635519	NY	
Envolve Dental, Inc.	46-2783884	DE	
Envolve Dental of Florida, Inc.	81-2969330	FL	
Envolve Dental of Texas, Inc.	81-2796896	TX	16106
Envolve Pharmacy Solutions, Inc.	77-0578529	DE	
LBB Industries, Inc	76-0511700	TX	
RX Direct, Inc	75-2612875	TX	
Envolve Pharmacy IPA, LLC	46-2307356	NY	
Casenet LLC	90-0636938	DE	
Casenet S.R.O.	Foreign	CZE	
Centurion Group, Inc	61-1450727	DE	
Centurion LLC (51%)	90-0766502	DE	
Centurion of Arizona, LLC	81-4228054	AZ	
Centurion of Vermont, LLC	47-1686283	VT	
Centurion of Mississippi, LLC	47-2967381	MS	
Centurion of Tennessee, LLC	30-0752651	TN	
Massachusetts Partnership for Correctional Healthcare, LLC	61-1696004	MA	
Centurion of Minnesota, LLC	46-2717814	MN	
Centurion Correctional Healthcare of New Mexico, LLC	81-1161492	NM	
Centurion of Florida, LLC	81-0687470	FL	
Centurion of Illinois, LLC	81-3007264	IL	
Centurion of Maryland, LLC	81-4938030	MD	

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ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

Centurion of Philadelphia, LLC	81-5429405	PA
Specialty Therapeutic Care Holdings, LLC	27-3617766	DE
Specialty Therapeutic Care, LP (99.99%)	73-1698808	TX
Specialty Therapeutic Care, GP, LLC	73-1698807	TX
Specialty Therapeutic Care, LP (0.01%)	73-1698808	TX
Specialty Therapeutic Care West, LLC	26-2624521	TX
AcariaHealth Solutions, Inc.	80-0856383	DE
AcariaHealth, Inc.	45-2780334	DE
AcariaHealth Pharmacy #14, Inc	27-1599047	CA
AcariaHealth Pharmacy #11, Inc	20-8192615	TX
AcariaHealth Pharmacy #12, Inc	27-2765424	NY
AcariaHealth Pharmacy #13, Inc	26-0226900	CA
AcariaHealth Pharmacy, Inc	13-4262384	CA
HomeScripts.com, LLC	27-3707698	MI
New York Rx, Inc.	20-8235695	NY
Foundation Care, LLC (80%)	20-0873587	MO
U.S. Medical Management Holdings, Inc	27-0275614	DE
U.S. Medical Management, LLC (20%)	38-3153946	DE
U.S. Medical Management, LLC (80%)	38-3153946	DE
RMED, LLC	31-1733889	FL
IAH of Florida, LLC	47-2138680	FL
Heritage Home Hospice, LLC	51-0581762	MI
Grace Hospice of Austin, LLC	20-2827613	MI
ComfortBrook Hospice, LLC	20-1530070	OH
Comfort Hospice of Texas, LLC	20-4996551	MI
Grace Hospice of San Antonio, LLC	20-2827526	MI
Grace Hospice of Grand Rapids, LLC	45-0679248	MI
Grace Hospice of Indiana, LLC	45-0634905	MI
Grace Hospice of Virginia, LLC	45-5080637	MI
Comfort Hospice of Missouri, LLC	45-5080567	MI
Grace Hospice of Wisconsin, LLC	46-1708834	MI
Grace Hospice of Illinois, LLC	81-5129923	IL
Seniorcorps Peninsula, LLC	26-4435532	VA
R&C Healthcare, LLC	33-1179031	TX
Pinnacle Senior Care of Missouri, LLC	46-0861469	MI
Country Style Health Care, LLC	03-0556422	TX
Phoenix Home Health Care, LLC	14-1878333	DE
Traditional Home Health Services, LLC	75-2635025	TX
Family Nurse Care, LLC	38-2751108	MI
Family Nurse Care II, LLC	20-5108540	MI
Family Nurse Care of Ohio, LLC	20-3920947	MI
Pinnacle Senior Care of Wisconsin, LLC	46-4229858	WI
Pinnacle Senior Care of Indiana, LLC	81-1565426	MI

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

Pinnacle Home Care, LLC	76-0713516	TX	
North Florida Health Services, Inc	59-3519060	FL	
Pinnacle Sr. Care of Kalamazoo, LLC	47-1742728	MI	
Hospice DME Company, LLC	46-1734288	MI	
Rapid Respiratory Services, LLC	20-4364776	DE	
USMM Accountable Care Network, LLC	46-5730959	DE	
USMM Accountable Care Partners, LLC	46-5735993	DE	
USMM Accountable Care Solutions, LLC	46-5745748	DE	
USMM ACO, LLC	45-4165480	MI	
USMM ACO Florida, LLC	45-4157180	MI	
USMM ACO North Texas, LLC	45-4154905	MI	
Health Net, Inc.	47-5208076	DE	
Health Net of California, Inc.	95-4402957	CA	
Health Net Life Insurance Company	73-0654885	CA	66141
Health Net Life Reinsurance Company	98-0409907	CYM	
Health Net of California Real Estate Holdings, Inc.	54-2174069	CA	
Managed Health Network, LLC	95-4117722	DE	
Managed Health Network	95-3817988	CA	
MHN Services, LLC	95-4146179	CA	
Health Net Federal Services, LLC	68-0214809	DE	
MHN Government Services LLC	42-1680916	DE	
MHN Global Services, Inc.	51-0589404	DE	
MHN Government Services-Belgium, Inc.	80-0852000	DE	
MHN Government Services-Djibouti, Inc.	90-0889816	DE	
MHN Government Services-Germany, Inc.	80-0852008	DE	
MHN Government Services-Guam, Inc.	90-0889803	DE	
MHN Government Services-International, Inc.	90-0889825	DE	
MHN Government Services-Italy, Inc.	80-0852019	DE	
MHN Government Services-Japan, Inc.	46-1038058	DE	
MHN Government Services-Puerto Rico, Inc.	90-0889815	DE	
MHN Government Services-Turkey, Inc.	90-0889824	DE	
MHN Government Services-United Kingdom, Inc.	90-0889833	DE	
Network Providers, LLC (10%)	88-0357895	DE	
Health Net Preferred Providers, LLC	61-1388903	DE	
Health Net Veterans, LLC	35-2490375	DE	
Network Providers, LLC (90%)	88-0357895	DE	
Health Net of the Northeast, LLC (25%)	06-1116976	DE	
North Region Providers, LLC	n/a	DE	
Health Net of the Northeast, LLC (75%)	06-1116976	DE	
QualMed, Inc.	84-1175468	DE	
QualMed Plans for Health of Colorado, Inc.	84-0975985	CO	
Health Net Health Plan of Oregon, Inc.	93-1004034	OR	95800
HSI Advantage Health Holdings, Inc.	23-2867299	DE	
QualMed Plans for Health of Western Pennsylvania, Inc.	23-2867300	PA	

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE CELTIC INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

Pennsylvania Health Care Plan, Inc.	25-1516632	PA	
Health Net Services Inc.	94-3037822	DE	
Health Net Community Solutions, Inc.	54-2174068	CA	
Health Net of Arizona, Inc.	36-3097810	AZ	95206
Health Net One Payment Services, Inc.	54-2153100	DE	
Health Net of Pennsylvania, LLC	n/a	PA	
QualMed Plans for Health of Pennsylvania, Inc.	23-2456130	PA	
FH Surgery Limited, Inc.	68-0390434	CA	
Foundation Health Facilities, Inc.	68-0390438	CA	
FH Assurance Company	98-0150604	CYM	
Health Net Pharmaceutical Services	68-0295375	CA	
Health Net of Arizona Administrative Services, Inc.	86-0660443	AZ	
Health Net Community Solutions of Arizona, Inc.	81-1348826	AZ	15895
National Pharmacy Services Inc.	84-1301249	DE	
Integrated Pharmacy Systems, Inc. (90%)	23-2789453	PA	
FH Surgery Centers Inc.	68-0390435	CA	
Greater Sacramento Surgery Center LP (66%)	68-0343818	CA	
Health Net Access, Inc.	46-2616037	AZ	
MHS Consulting, International, Inc	20-8630006	DE	
PRIMEROSALUD, S.L.	Foreign	ESP	
Centene UK Limited	Foreign	GBR	
The Practice (Group) Limited (75%)	Foreign	GBR	
Centene Health Plan Holdings, Inc.	82-1172163	DE	
Carolina Complete Health Holding Company Partnership	82-2699483	DE	
Carolina Complete Health, Inc.	82-2699332	NC	

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