



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2019
 OF THE CONDITION AND AFFAIRS OF THE
CELTIC INSURANCE COMPANY

(Name)

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 200 East Randolph Street, Suite 3600 , Chicago, IL, US 60601
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 200 East Randolph Street, Suite 3600
(Street and Number)
Chicago, IL, US 60601 800-714-4658
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 200 East Randolph Street, Suite 3600 , 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 200 East Randolph Street, Suite 3600
(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 Craig M. Bilbrey , 314-519-1169
(Name) (Area Code) (Telephone Number) (Extension)
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OFFICERS

Name	Title	Name	Title
<u>Anand A. Shukla</u>	<u>President</u>	<u>Karen E. Wegg</u>	<u>Vice President</u>
<u>Tricia L. Dinkelman</u>	<u>Vice President, Tax</u>		

OTHER OFFICERS

<u>Christopher R. Isaak</u>	<u>Controller, Vice President of Finance,</u>	<u>John P. Ryan</u>	<u>Vice President</u>
<u>Mark J. Freeman #</u>	<u>Treasurer</u>	<u>Keith H. Williamson</u>	<u>Secretary</u>
	<u>Vice President, Actuary</u>		

DIRECTORS OR TRUSTEES

<u>Anand A. Shukla</u>	<u>Tricia L. Dinkelman</u>	<u>Christopher R. Isaak</u>	<u>Kevin J. Counihan</u>
<u>Karen E. Wegg</u>			

State of Missouri

ss

County of Saint Louis

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

Christopher R. Isaak
Controller, Vice President of Finance

Karen E. Wegg
Vice President

Subscribed and sworn to before me this
1 day of March, 2020

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

Joan E. Price, Notary Public
3/21/2021

ANNUAL STATEMENT FOR THE YEAR 2019 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).....	811,044,220		811,044,220	770,026,155
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	215,007,271		215,007,271	175,424,919
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$220,851,052 , Schedule E-Part 1), cash equivalents (\$838,877,319 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	1,059,728,371		1,059,728,371	810,218,636
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA)	17,345,906		17,345,906	8,749,616
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	2,103,125,768	0	2,103,125,768	1,764,419,326
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	6,828,664		6,828,664	5,916,439
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	11,788,648		11,788,648	12,415,727
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums (\$25,662,421) and contracts subject to redetermination (\$)	25,662,421		25,662,421	28,668,388
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	9,698,641		9,698,641	9,557,775
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts	36,310		36,310	45,275
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	21,187,164		21,187,164	6,413,939
18.2 Net deferred tax asset.....	12,476,345		12,476,345	6,530,751
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	10,695,729		10,695,729	38,937,994
24. Health care (\$21,004,129) and other amounts receivable.....	43,784,758	22,780,629	21,004,129	11,028,078
25. Aggregate write-ins for other-than-invested assets	35,039,368	54,055	34,985,313	34,623,066
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	2,280,323,817	22,834,684	2,257,489,134	1,918,556,757
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	2,280,323,817	22,834,684	2,257,489,134	1,918,556,757
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			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.....	24,402,976		24,402,976	34,459,084
2502. FFM User Fee.....	268,345	0	268,345	163,982
2503. Prepaid Expenses.....	1,195,967	54,055	1,141,912	0
2598. Summary of remaining write-ins for Line 25 from overflow page	9,172,080	0	9,172,080	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	35,039,368	54,055	34,985,313	34,623,066

ANNUAL STATEMENT FOR THE YEAR 2019 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 \$290,754,621 reinsurance ceded)	310,251,915		310,251,915	305,552,620
2. Accrued medical incentive pool and bonus amounts	3,162,182		3,162,182	3,114,666
3. Unpaid claims adjustment expenses	4,157,605		4,157,605	6,622,589
4. Aggregate health policy reserves, including the liability of \$83,354,178 for medical loss ratio rebate per the Public Health Service Act	600,224,563		600,224,563	402,217,559
5. Aggregate life policy reserves	3,469,194		3,469,194	3,547,285
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	41,104,579		41,104,579	32,103,205
9. General expenses due or accrued	17,381,761		17,381,761	29,096,257
10.1 Current federal and foreign income tax payable and interest thereon (including \$(20,446) on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable	846,505,898		846,505,898	614,235,850
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	10,474,675		10,474,675	16,670,677
16. Derivatives		0	0	0
17. Payable for securities	0		0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$0 authorized reinsurers, \$1,575,305 unauthorized reinsurers and \$ certified reinsurers)	1,575,305		1,575,305	1,501,556
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$9,802,912 current)	9,802,912	0	9,802,912	44,735,419
24. Total liabilities (Lines 1 to 23)	1,848,110,589	0	1,848,110,589	1,459,397,683
25. Aggregate write-ins for special surplus funds	XXX	XXX	119,489,250	0
26. Common capital stock	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	81,796,225	76,588,655
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	205,593,069	380,070,419
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	409,378,544	459,159,074
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	2,257,489,133	1,918,556,757
DETAILS OF WRITE-INS				
2301. ACA risk adjustment payable			0	0
2302. ACA cost sharing reduction payable	650,303		650,303	38,483,538
2303. Unclaimed property	58,402		58,402	165,902
2398. Summary of remaining write-ins for Line 23 from overflow page	9,094,207	0	9,094,207	6,085,979
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	9,802,912	0	9,802,912	44,735,419
2501. Health insurer fee estimate	XXX	XXX	119,489,250	0
2502.	XXX	XXX		0
2503.	XXX	XXX		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	119,489,250	0
3001.	XXX	XXX		0
3002.	XXX	XXX		0
3003.	XXX	XXX		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 2019 OF THE CELTIC INSURANCE COMPANY

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	13,088,613	10,119,878
2. Net premium income (including \$0 non-health premium income).....	XXX	3,081,839,051	2,425,857,816
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	3,081,839,051	2,425,857,816
Hospital and Medical:			
9. Hospital/medical benefits		1,696,510,423	1,241,961,791
10. Other professional services		21,464,460	12,922,213
11. Outside referrals			0
12. Emergency room and out-of-area		183,258,584	134,368,703
13. Prescription drugs		574,717,351	406,079,083
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		5,330,344	5,981,295
16. Subtotal (Lines 9 to 15)	0	2,481,281,162	1,801,313,084
Less:			
17. Net reinsurance recoveries		11,934,226	20,254,126
18. Total hospital and medical (Lines 16 minus 17)	0	2,469,346,935	1,781,058,957
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$1,292,230 cost containment expenses.....		40,626,796	28,695,857
21. General administrative expenses.....		524,304,943	427,514,503
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		(334,509)	336,894
23. Total underwriting deductions (Lines 18 through 22)	0	3,033,944,166	2,237,606,212
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	47,894,885	188,251,605
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		43,074,117	30,778,501
26. Net realized capital gains (losses) less capital gains tax of \$(20,446)		(76,916)	(98,308)
27. Net investment gains (losses) (Lines 25 plus 26)	0	42,997,201	30,680,193
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$)(amount charged off \$4,349,750)]		(4,349,750)	(5,310,386)
29. Aggregate write-ins for other income or expenses	0	(257,599)	964,849
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	86,284,737	214,586,261
31. Federal and foreign income taxes incurred	XXX	18,619,685	52,506,636
32. Net income (loss) (Lines 30 minus 31)	XXX	67,665,052	162,079,625
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.....		592,188	1,177,981
2902. Annuity income.....		(92,301)	(213,131)
2903. Interest penalties.....		(757,485)	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	(257,599)	964,849

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	459,159,074	162,501,396
34. Net income or (loss) from Line 32	67,665,052	162,079,625
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 \$ (541,135)	40,372,219	124,437,727
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	6,156,746	(4,560,610)
39. Change in nonadmitted assets	(7,115,735)	14,700,937
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	5,207,570	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders	(162,000,000)	0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	(49,714,147)	296,657,678
49. Capital and surplus end of reporting year (Line 33 plus 48)	409,444,927	459,159,074
DETAILS OF WRITE-INS		
4701.		0
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	3,525,496,747	2,786,578,752
2. Net investment income	46,961,465	33,715,598
3. Miscellaneous income	592,188	1,177,981
4. Total (Lines 1 through 3)	3,573,050,400	2,821,472,330
5. Benefit and loss related payments	2,510,229,802	1,731,324,659
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	559,278,169	482,165,537
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	32,620,177	63,227,885
10. Total (Lines 5 through 9)	3,102,128,148	2,276,718,082
11. Net cash from operations (Line 4 minus Line 10)	470,922,252	544,754,249
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	107,332,879	109,158,827
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	148,947	277,076
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	19,594	(18,462)
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	107,501,420	109,417,441
13. Cost of investments acquired (long-term only):		
13.1 Bonds	153,187,793	330,596,534
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	13,726,145	6,292,481
13.6 Miscellaneous applications	0	1,250,293
13.7 Total investments acquired (Lines 13.1 to 13.6)	166,913,938	338,139,308
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)	(59,412,518)	(228,721,867)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	19,000,000
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	162,000,000	0
16.6 Other cash provided (applied)	0	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(162,000,000)	19,000,000
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)	249,509,734	335,032,381
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	810,218,636	475,186,255
19.2 End of year (Line 18 plus Line 19.1)	1,059,728,370	810,218,636

ANNUAL STATEMENT FOR THE YEAR 2019 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	3,081,839,051	3,081,839,051	0	0	0	0	0	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	0	0	0	0	0	0	0	0	0	0
3. Fee-for-service (net of \$ medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	3,081,839,051	3,081,839,051	0	0	0	0	0	0	0	0
8. Hospital/medical benefits	1,696,510,423	1,696,510,423	0	0	0	0	0	0	0	XXX
9. Other professional services	21,464,460	21,464,460	0	0	0	0	0	0	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	183,258,584	183,258,584	0	0	0	0	0	0	0	XXX
12. Prescription drugs	574,717,351	574,717,351	0	0	0	0	0	0	0	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	5,330,344	5,330,344	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14)	2,481,281,162	2,481,281,162	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries	11,934,226	11,934,226	0	0	0	0	0	0	0	XXX
17. Total hospital and medical (Lines 15 minus 16)	2,469,346,935	2,469,346,935	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 \$ 1,292,230 cost containment expenses	40,626,796	40,626,796	0	0	0	0	0	0	0	0
20. General administrative expenses	524,304,943	524,464,174	(159,231)	0	0	0	0	0	0	0
21. Increase in reserves for accident and health contracts	(334,509)	(334,509)	0	0	0	0	0	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	3,033,944,166	3,034,103,397	(159,231)	0	0	0	0	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	47,894,885	47,735,654	159,231	0	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	0
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
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 2019 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)	6,188,832,668		3,106,993,617	3,081,839,051
2. Medicare Supplement	6,044,495		6,044,495	.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)	6,194,877,163	.0	3,113,038,112	3,081,839,051
10. Life	67,378		67,378	.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	6,194,944,541	0	3,113,105,490	3,081,839,051

ANNUAL STATEMENT FOR THE YEAR 2019 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	2,439,348,957	2,439,348,957								
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	(39,081,834)	(39,081,834)								
1.4 Net	2,478,430,791	2,478,430,791	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	5,282,827	5,282,827								
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	601,006,536	601,006,536	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	290,754,621	290,754,621	0	0	0	0	0	0	0	0
3.4 Net	310,251,915	310,251,915	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	3,162,182	3,162,182								
6. Net healthcare receivables (a)	18,972,630	18,972,630								
7. Amounts recoverable from reinsurers December 31, current year	9,698,641	9,698,641								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	545,432,046	545,432,046	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	239,879,426	239,879,426	0	0	0	0	0	0	0	0
8.4 Net	305,552,620	305,552,620	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	3,114,666	3,114,666	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	9,557,775	9,557,775	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	2,475,950,817	2,475,950,817	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	11,934,227	11,934,227	0	0	0	0	0	0	0	0
12.4 Net	2,464,016,590	2,464,016,590	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	5,330,343	5,330,343	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2019 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	183,230,161	183,230,161								
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	70,562,411	70,562,411								
1.4. Net	112,667,750	112,667,750	0	0	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1. Direct	417,776,375	417,776,375								
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	220,192,210	220,192,210								
2.4. Net	197,584,165	197,584,165	0	0	0	0	0	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	0									
3.2. Reinsurance assumed	0									
3.3. Reinsurance ceded	0									
3.4. Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1. Direct	601,006,536	601,006,536	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	290,754,621	290,754,621	0	0	0	0	0	0	0	0
4.4. Net	310,251,915	310,251,915	0	0	0	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2019 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)	267,343,141	2,210,946,785	6,220,519	304,031,395	273,563,660	305,552,620
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).....	267,343,141	2,210,946,785	6,220,519	304,031,395	273,563,660	305,552,620
10. Healthcare receivables (a).....		7,188,608		32,897,868	0	21,113,846
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts	2,558,086	2,724,741		3,162,182	2,558,086	3,114,666
13. Totals (Lines 9-10+11+12)	269,901,227	2,206,482,918	6,220,519	274,295,709	276,121,746	287,553,439

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

ANNUAL STATEMENT FOR THE YEAR 2019 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	.95,690	.95,690	.95,690	.95,690	.95,690
2. 2015	97,267	127,666	127,666	127,666	127,666
3. 2016	XXX	508,567	593,033	593,033	593,033
4. 2017	XXX	XXX	1,347,526	1,570,234	1,570,234
5. 2018	XXX	XXX	XXX	1,484,379	1,754,280
6. 2019	XXX	XXX	XXX	XXX	2,206,483

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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	.95,690	.95,690	.95,690	.95,690	.95,690
2. 2015	131,819	128,076	127,666	127,666	127,666
3. 2016	XXX	606,102	596,522	596,522	596,522
4. 2017	XXX	XXX	1,557,618	1,582,214	1,582,214
5. 2018	XXX	XXX	XXX	1,756,463	1,760,500
6. 2019	XXX	XXX	XXX	XXX	2,465,310

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. 2015.....	170,701	127,666		0.0	127,666	74.8			127,666	74.8
2. 2016.....	781,894	593,033		0.0	593,033	75.8			593,033	75.8
3. 2017.....	2,126,956	1,570,234		0.0	1,570,234	73.8			1,570,234	73.8
4. 2018.....	2,425,858	1,754,280	8,563	0.5	1,762,843	72.7	6,221	83	1,769,147	72.9
5. 2019.....	3,081,251	2,206,483	15,787	0.7	2,222,270	72.1	307,194	4,075	2,533,539	82.2

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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 2019 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	95,690	95,690	95,690	95,690	95,690
2. 2015	97,267	127,666	127,666	127,666	127,666
3. 2016	XXX	508,567	593,033	593,033	593,033
4. 2017	XXX	XXX	1,347,526	1,570,234	1,570,234
5. 2018	XXX	XXX	XXX	1,484,379	1,754,280
6. 2019	XXX	XXX	XXX	XXX	2,206,483

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2015	2 2016	3 2017	4 2018	5 2019
1. Prior	95,690	95,690	95,690	95,690	95,690
2. 2015	131,819	128,076	127,666	127,666	127,666
3. 2016	XXX	606,102	596,522	596,522	596,522
4. 2017	XXX	XXX	1,557,618	1,582,214	1,582,214
5. 2018	XXX	XXX	XXX	1,756,463	1,760,500
6. 2019	XXX	XXX	XXX	XXX	2,465,310

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. 2015.....	170,701	127,666	0	0.0	127,666	74.8	0	0	127,666	74.8
2. 2016.....	781,894	593,033	0	0.0	593,033	75.8	0	0	593,033	75.8
3. 2017.....	2,126,956	1,570,234	0	0.0	1,570,234	73.8	0	0	1,570,234	73.8
4. 2018.....	2,425,858	1,754,280	8,563	0.5	1,762,843	72.7	6,221	83	1,769,147	72.9
5. 2019.....	3,081,251	2,206,483	15,787	0.7	2,222,270	72.1	307,194	4,075	2,533,539	82.2

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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 2019 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.....	588,866		588,866						
2. Additional policy reserves (a).....	1,998,273	837,617	1,160,656						
3. Reserve for future contingent benefits.....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	1,198,773,891	1,198,773,891							
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	1,201,361,030	1,199,611,508	1,749,522	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded	601,136,468	599,386,946	1,749,522						
8. Totals (Net) (Page 3, Line 4)	600,224,563	600,224,563	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 \$837,617 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE CELTIC INSURANCE COMPANY

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)	33,307	1,013,843	4,257,351	0	5,304,501
2. Salaries, wages and other benefits	421,821	12,839,924	46,053,236	0	59,314,980
3. Commissions (less \$ceded plus \$assumed)	303,944	9,251,830	36,432,015	0	45,987,789
4. Legal fees and expenses	16,824	512,111	5,460,606	0	5,989,541
5. Certifications and accreditation fees	1,243	37,838	156,019	0	195,101
6. Auditing, actuarial and other consulting services	197,072	5,998,733	27,443,290	0	33,639,095
7. Traveling expenses	15,026	457,386	3,018,751	0	3,491,164
8. Marketing and advertising	30,541	929,642	6,378,815	0	7,338,998
9. Postage, express and telephone	8,164	248,517	2,166,878	0	2,423,558
10. Printing and office supplies	5,942	180,859	1,279,831	0	1,466,631
11. Occupancy, depreciation and amortization	93,930	2,859,175	11,293,403	0	14,246,508
12. Equipment	3,492	106,283	434,843	0	544,617
13. Cost or depreciation of EDP equipment and software	98,814	3,007,839	11,968,673	0	15,075,326
14. Outsourced services including EDP, claims, and other services	8,322	253,308	256,494,499	0	256,756,129
15. Boards, bureaus and association fees	0	0	0	0	0
16. Insurance, except on real estate	3,886	118,291	465,809	0	587,986
17. Collection and bank service charges	8,565	260,720	1,133,549	0	1,402,834
18. Group service and administration fees	0	0	0	0	0
19. Reimbursements by uninsured plans	0	0	0	0	0
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	4,052	123,325	489,534	0	616,910
22. Real estate taxes	2,591	78,870	310,577	0	392,039
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	1,918,034	0	1,918,034
23.2 State premium taxes	0	0	100,597,659	0	100,597,659
23.3 Regulatory authority licenses and fees	735	22,387	586,572	0	609,695
23.4 Payroll taxes	32,893	1,001,233	5,331,106	0	6,365,231
23.5 Other (excluding federal income and real estate taxes)	1,066	32,453	633,893	0	667,412
24. Investment expenses not included elsewhere	0	0	0	706,763	706,763
25. Aggregate write-ins for expenses	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25)	1,292,230	39,334,566	524,304,943	706,763	(a) 565,638,503
27. Less expenses unpaid December 31, current year	0	4,157,605	17,381,761	0	21,539,366
28. Add expenses unpaid December 31, prior year	0	6,622,589	29,096,257	0	35,718,846
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year	0	0	0	0	0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	1,292,230	41,799,551	536,019,439	706,763	579,817,983
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 \$799,085,652 to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 743,939	742,138
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 22,797,857	23,267,275
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)	0	
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) 10,457,387	19,565,779
7. Derivative instruments	(f)	
8. Other invested assets		205,688
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	33,999,182	43,780,880
11. Investment expenses		(g) 706,763
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)		706,763
17. Net investment income (Line 10 minus Line 16)		43,074,117
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 \$ 896,483 accrual of discount less \$ 5,696,056 amortization of premium and less \$ 430,081 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 \$ 260,249 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	0		0		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(94,886)		(94,886)	0	
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	39,582,352	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	(2,476)		(2,476)	22,070	0
7. Derivative instruments	0		0		
8. Other invested assets	0	0	0	226,662	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(97,362)	0	(97,362)	39,831,084	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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE CELTIC INSURANCE COMPANY

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	.0	.0
24. Health care and other amounts receivable.....	22,780,629	15,626,192	(7,154,437)
25. Aggregate write-ins for other-than-invested assets	54,055	92,757	38,702
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	22,834,684	15,718,949	(7,115,735)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	22,834,684	15,718,949	(7,115,735)
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.....	54,055	92,757	38,702
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)	54,055	92,757	38,702

ANNUAL STATEMENT FOR THE YEAR 2019 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.....	21,747	27,362	25,441	24,080	23,156	305,890
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	729,517	1,109,929	1,061,250	1,035,819	1,008,924	12,782,723
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	751,264	1,137,291	1,086,691	1,059,899	1,032,080	13,088,613
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

Q4 2019 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 #	12/31/2019	12/31/2018
NET INCOME					
(1) Celtic Insurance Company state basis (Page 4, Line 32, Columns 2 & 4)	XXX	XXX	XXX	\$ 67,665,052	\$ 162,079,625
(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>\$ 67,665,052</u>	<u>\$ 162,079,625</u>
SURPLUS					
(5) Celtic Insurance Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 409,378,544	\$ 459,159,074
(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>\$ 409,378,544</u>	<u>\$ 459,159,074</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 – None

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, 2020, 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 Securities Evaluations, Inc.
- 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 (\$6,254)
 - ii. 12 months or longer (\$1,647)
 - b. The aggregate related fair value of securities with unrealized losses:
 - i. Less than 12 months \$5,934,501
 - ii. 12 months or longer \$2,720,470
- 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

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

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	\$ 2,582,503	\$ 2,572,619	\$ 9,884	\$ -	\$ 2,582,503	0.1%	0.1%
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	\$ 2,582,503	\$ 2,572,619	\$ 9,884	\$ -	\$ 2,582,503	0.1%	0.1%

(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. 5GI 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>\$147,236</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

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

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

DTA/DTL Components Description	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	13,121,470	108,876	13,230,346	7,015,777	55,301	7,071,078	6,105,693	51,575	6,157,268
(b) Statutory valuation allowance adjustment	0	0	0	0	0	0	0	0	0
(c) Acquired gross deferred tax assets	13,121,470	108,876	13,230,346	7,015,777	55,301	7,071,078	6,105,693	51,575	6,157,268
(d) Deferred tax assets nonadmitted	(0)	0	0	0	0	0	(0)	0	0
(e) Net admitted deferred tax assets	13,121,470	108,876	13,230,346	7,015,777	55,301	7,071,078	6,105,693	51,575	6,157,268
(f) Deferred tax liabilities	(422,313)	(322,055)	(744,368)	(433,893)	(108,436)	(542,329)	11,577	(215,819)	(234,042)
(g) Net admitted deferred tax asset/(Net deferred tax liability)	12,699,157	(215,179)	12,483,977	6,581,884	(51,135)	6,530,751	6,117,270	(164,044)	5,953,226

Admission calculation components: Description	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation under §11.a.-§11.c.									
(a) F/I recoverable by loss carryback (§11.a.)	12,526,303	0	12,526,303	6,652,620	0	6,652,620	5,873,683	0	5,873,683
(b) Expected to be realized (§11.b.) (lesser of 1. or 2.)	0	0	0	0	0	0	0	0	0
1. Expected to be realized (§11.b.1.)	0	0	0	0	0	0	0	0	0
2. Surplus limitation (§11.b.4.)	0	0	0	0	0	0	0	0	0
(c) DTL offset (§11.c.)	562,167	108,876	671,043	362,957	55,301	418,258	229,210	51,575	280,785
(d) Total admitted under §11.a.-11.c.	13,121,470	108,876	13,230,346	7,015,777	55,301	7,071,078	6,105,693	51,575	6,157,268
Deferred tax liabilities	(422,313)	(322,055)	(744,368)	(433,893)	(108,436)	(542,329)	11,577	(215,819)	(234,042)
Net admitted deferred tax asset/liability under §11.a.-§11.c.	12,699,157	(215,179)	12,483,977	6,581,884	(51,135)	6,530,751	6,117,270	(164,044)	5,953,226

Information used in expected to be realized calculation (§11.b.)	2019		2018	
	Amount	Percentage	Amount	Percentage
(a) Ex-DTA ACL, RBC or other ratio	637%		528%	
(b) Acquired capital and surplus	377,394,612		452,396,346	

Impact of tax planning strategies on a qualified gross DTAs and net admitted DTAs:	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Acquired gross DTAs - Amount (Memo Entry)	0	0	0	291,545	0	291,545	(291,545)	0	(291,545)
Acquired gross DTAs - Percentage	0.00%	0.00%	0.00%	4.12%	0.00%	4.12%	-4.12%	0.00%	-4.12%
Net admitted DTAs - Amount (Memo Entry)	0	0	0	291,545	0	291,545	(291,545)	0	(291,545)
Net admitted DTAs - Percentage	0.00%	0.00%	0.00%	4.48%	0.00%	4.48%	-4.48%	0.00%	-4.48%

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	2019	2018
(a) Current federal income tax expense	18,818,800	53,033,904
(b) Foreign taxes	0	0
(c) Subtotal	18,818,800	53,033,904
(d) Tax on capital gains/(losses)	(3,737)	(27,488)
(e) Utilization of capital loss carryforwards	0	0
(f) Other, including prior year underaccrual (overaccrual)	(219,555)	(580,202)
(g) Federal and foreign income taxes incurred	18,599,508	52,426,214

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

(2) DTAs Resulting From Book/Tax Differences In	December 31, 2019	December 31, 2018	Change
(a) Ordinary			
(1) Discounting of unpaid losses and LAE	1,021,209	1,172,690	(151,381)
(2) Unearned premiums	1,726,392	1,348,335	378,058
(3) Policy holder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policy holder dividends accrued	0	0	0
(7) Fixed assets	0	0	0
(8) Accrued Expenses	595,984	588,860	9,124
(9) Pension accruals	0	0	0
(10) Nonadmitted assets	9,567,864	3,300,979	6,266,885
(11) Net operating loss carryforward	0	0	0
(12) Tax credit carryforward	0	0	0
(13) Premium deficiency reserve	175,900	248,148	(70,247)
(14) Other (separately disclose items >5%)	34,121	360,866	(326,745)
(99) Gross ordinary DTAs	13,121,470	7,015,777	6,105,693
(b) Statutory valuation adjustment adjustment - ordinary	0	0	0
(c) Nonadmitted ordinary DTAs (-)	(0)	0	(0)
(d) Admitted ordinary DTAs	13,121,470	7,015,777	6,105,693
(e) Capital			
(1) Investments	108,876	51,542	55,334
(2) Net capital loss carryforward	0	0	0
(3) Real estate	0	0	0
(4) Other (separately disclose items >5%)	0	3,759	(3,759)
(5) Unrealized capital losses	0	0	0
(99) Gross capital DTAs	108,876	55,301	51,575
(f) Statutory valuation adjustment adjustment - capital (-)	0	0	0
(g) Nonadmitted capital DTAs (-)	0	0	0
(h) Admitted capital DTAs	108,876	55,301	51,575
(i) Admitted DTAs	13,228,346	7,071,078	6,157,268

NOTES TO FINANCIAL STATEMENTS

(3) DTLs Resulting From Book/Tax Differences In	December 31, 2019	December 31, 2018	Change
(a) Ordinary			
(1) Investments	(138,674)	(46,473)	(92,201)
(2) Fixed assets	0	0	0
(3) Deferred and uncollected premiums	0	0	0
(4) Policyholder reserves/salvage and subrogation	(283,639)	(377,144)	93,505
(5) Other (separately disclose items >5%)	0	(10,273)	10,273
(99) Ordinary DTLs	(422,313)	(433,890)	11,577
(b) Capital			
(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (separately disclose items >5%)	0	0	0
(4) Unrealized capital gains	(322,055)	(106,438)	(215,619)
(99) Capital DTLs	(322,055)	(106,438)	(215,619)
(c) DTLs	(744,369)	(540,327)	(204,042)
(4) Net deferred tax assets/liabilities	12,483,977	6,530,751	5,953,226

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2019	December 31, 2018	Change
Total deferred tax assets	13,228,346	7,071,078	6,157,268
Total deferred tax liabilities	(744,369)	(540,327)	(204,042)
Net deferred tax assets/liabilities	12,483,977	6,530,751	5,953,226
Statutory valuation allowance adjustment (*see explanation below)	0	0	0
Net deferred tax assets/liabilities after SVA	12,483,977	6,530,751	5,953,226
Tax effect of unrealized gains/(losses)	322,055	106,438	215,619
Change in net deferred income tax [(charge)/benefit]	12,806,033	6,637,187	6,168,845

*Statutory valuation allowance

The valuation allowance adjustment to gross deferred tax assets as of December 31, 2019 and 2018 was \$0 and \$0, respectively. The net change in the total valuation allowance adjustments for the year ended December 31, 2019 was \$0.

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

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

Description	2019			2018		
	Amount	Tax Effect	Effective Tax Rate	Amount	Tax Effect	Effective Tax Rate
Income Before Taxes	89,710,464	18,839,198	21.00%	214,505,842	45,046,227	21.00%
Tax-Exempt Interest	(3,506,855)	(736,439)	-0.82%	(3,606,957)	(757,461)	-0.35%
Dividends Received Deduction	0	0	0.00%	0	0	0.00%
Proration	876,714	184,110	0.21%	901,739	189,365	0.09%
Corporate Owned Life Insurance	0	0	0.00%	0	0	0.00%
Health Insurer Fee	0	0	0.00%	42,902,231	9,009,469	4.20%
Meals & Entertainment, Nondeductible Expenses, Etc.	1,050,354	220,574	0.25%	299,662	62,929	0.03%
Stock Compensation Excess Tax Benefit	(79,589)	(16,709)	-0.02%	(156,578)	(32,661)	-0.02%
162(m)(6) Limitation	1,488,651	312,659	0.35%	1,343,375	282,109	0.13%
Statutory Valuation Allowance Adjustment	0	0	0.00%	0	0	0.00%
Deferred Taxes on Nonadmitted Assets	(29,962,743)	(6,292,176)	-7.01%	14,700,937	3,087,197	1.44%
Change in Enacted Tax Rates	0	0	0.00%	0	0	0.00%
Other, Including Prior Year True-Up		(84,553)	-0.09%		99,870	0.05%
Total		12,426,663	13.85%		56,966,823	26.57%
Federal Income Taxes Incurred [Expense/(Benefit)]		18,599,245	20.73%		52,453,702	24.45%
Tax on Capital Gains/(Losses)		(3,737)	0.00%		(27,488)	-0.01%
Change in Net Deferred Income Tax [Charge/(Benefit)]		(6,168,845)	-6.88%		4,580,609	2.13%
Total Statutory Income Taxes		12,426,663	13.85%		56,966,823	26.57%

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

At December 31, 2019, the Company had net operating loss carryforwards expiring through the year 20XX of: \$0
At December 31, 2019, the Company had capital loss carryforwards expiring through the year 20XX of: \$0

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

Year	Ordinary	Capital	Total
2017	N/A	37,980	37,980
2018	52,804,995	0	52,804,995
2019	18,818,800	0	18,818,800
Total	71,623,795	37,980	71,661,775

Deposits admitted under IRC § 6603
None

NOTES TO FINANCIAL STATEMENTS

F. The Company's federal income tax return is not consolidated.

G. Federal or Foreign Income Tax Loss Contingencies

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.

H. Repatriation Transition Tax (RTT)

Not applicable

I. Alternative Minimum Tax (AMT) Credit

Not applicable

(1) Gross AMT Credit Recognized as:	
a. Current year recoverable	\$ -
b. Deferred tax asset (DTA)	\$ -
(2) Beginning Balance of AMT Credit Carryforward	\$ -
(3) Amounts Recovered	\$ -
(4) Adjustments	\$ -
(5) Ending Balance of AMT Credit Carryforward	\$ -
(6) Reduction for Sequestration	NONE
(7) Nonadmitted by Reporting Entity	\$ -
(8) Reporting Entity Ending Balance	\$ -

J. Global Intangible Low-Taxed Income (GILTI)

Not applicable

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 2019 and 2018, 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 \$410,984,122 and \$323,697,506 for such services during the periods ended December 31, 2019 and December 31, 2018, respectively.

California Health and Wellness Plan, a wholly owned subsidiary of Centene Corporation, obtains network access services from the Company. Revenues included \$592,188 and \$588,990 for such services for the periods ended December 31, 2019 and December 31, 2018, respectively.

Centenco Behavioral Health, LLC, an ultimately wholly owned subsidiary of Centene Corporation, provided managed behavioral health services to the Company. Medical expenses included \$780,743 for such services for the year ended December 31, 2018.

Celtic Group Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides management services to the Company. The Company did not have any related transactions for the periods ended December 31, 2019 and December 31, 2018.

Coordinated Care Corporation, an ultimately wholly owned subsidiary of Centene Corporation, provides ancillary services to the Company. The Company did not have any related transactions for the periods ended December 31, 2019 and December 31, 2018.

Involve Dental, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides dental benefits management services to the Company. Medical expenses included \$452,831 and \$421,184 for such services for the periods ended December 31, 2019 and December 31, 2018, 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 \$5,826,972 and \$6,057,957 for such services for the periods ended December 31, 2019 and December 31, 2018, 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 \$579,595,104 and \$410,233,223 for such services for the periods ended December 31, 2019 and December 31, 2018, respectively.

Involve Vision, Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides managed vision services to the Company. Medical expenses included \$16,205,416 and \$11,822,783 for such services for the periods ended December 31, 2019 and December 31, 2018, respectively.

Health Net Life Reinsurance Company, an ultimately wholly owned subsidiary of Centene Corporation, provides reinsurance services to the Company. Reinsurance premiums included \$3,087,755,199 and \$2,382,167,659 for such services for the periods ended December 31, 2019 and December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

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 \$459,725 and \$550,271 for such services for the periods ended December 31, 2019 and December 31, 2018, respectively.

Sunshine State Health Plan, an ultimately wholly owned subsidiary of Centene Corporation, provides network access to the Company. The Company did not have any related transactions for the periods ended December 31, 2019 and December 31, 2018.

Superior HealthPlan Inc., an ultimately wholly owned subsidiary of Centene Corporation, provides utilization review, case management, quality improvement and related reporting services to the Company. The Company did not have any related transactions for the periods ended December 31, 2019 and December 31, 2018.

- C. Included in the Company's balance sheet at December 31, 2019 were receivables and/or payables due from/due to parent, subsidiaries and affiliates of:

Affiliated Entity	As of 12/31/2019	
Centene Management Company LLC	\$ 5,883,015	
California Health and Wellness	98,242	
Dental Health and Wellness	4,714,472	
Total Receivables from Affiliates	\$ 10,695,729	
Health Net of California Inc	(125,602)	
Centene Corporation	(3,100,292)	
Centene Center I LLC	(555,153)	
AR Total Care Inc	(275,004)	
Centene Company of Texas LP	(39,543)	
Home State Health Plan	(27,626)	
Health Net Life Reinsurance Co	(3,419,907)	
Sunshine State Health Plan	(8,521)	
Superior HealthPlan Inc	(15)	
Health Net Inc	(9,961)	
Granite State Health Plan Inc	(172,835)	
NovaSys Health Inc	(2,740,182)	
Total Amounts due to Affiliates	\$ (10,474,641)	
Other Amounts due to/from Affiliates	As of 12/31/2019	
Cenpatco Behavioral Health	(53,441)	*
Envolve Vision, Inc.	(1,853,518)	*
Interpreta, Inc	(203,121)	*
Envolve People Care, Inc.	(1,876,236)	*
Envolve Pharmacy Solutions, Inc.	(1,754,077)	*
VPA P.C.	(1,314,554)	*
Envolve Pharmacy Solutions, Inc. (Healthcare Rec)	71,248,095	**
Total Other due to/from Affiliates	\$ 64,193,148	

* Amounts included in Line 1. Claims unpaid

** Amount included in Line 24. Health care and other amounts receivable

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

- E. The Company had committed to maintain the minimum risk based capital of 200% and 250% for its wholly owned subsidiaries, Ambetter of Magnolia Inc. and Ambetter of Peach State Inc., respectively, until December 31, 2018.
- 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.
- O. None

11. Debt – None

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

- A. None
- B. None

NOTES TO FINANCIAL STATEMENTS

- C. None
- D. None
- E. None
- F. None
- G. The Company participates in a defined contribution benefit plan sponsored by Centene Corporation, an affiliate. The Company has no legal obligation for benefits under this plan. Centene Corporation allocates amounts to the Company based on a percentage. The Company's share of net expense for the retirement plan was \$458,242 and \$315,018 for the periods ended December 31, 2019 and December 31, 2018, respectively.
- H. None
- I. 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, 2019.
- 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) The Company paid an ordinary cash dividend of \$162,000,000 to Centene Corporation on March 29, 2019.
- 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) None
- 10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses was \$397,440,644.
- 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 –

The Company had committed to maintain the minimum risk based capital of 200% and 250% for its wholly owned subsidiaries Ambetter of Magnolia Inc. and Ambetter of Peach State Inc., respectively, until December 31, 2018, in the form of capital contributions.

The Company has no additional commitments to provide additional contributions or investments to the joint ventures listed on Schedule BA – Part 1.

B. Assessments –

- 1. None
- 2. None
- 3. None

C. Gain Contingencies – None

NOTES TO FINANCIAL STATEMENTS

- 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 \$4,349,750 and \$5,310,386 related to member premium receivables outstanding at December 31, 2019 and December 31, 2018, respectively. The \$1,031,310 and \$3,291,304 of member premium receivables recognized at December 31, 2019 and December 31, 2018, 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, 2019 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)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash, cash equivalents, and short-term investments	\$ 1,059,728,370	\$ -	\$ -	\$ -	\$ 1,059,728,370
Perpetual preferred stock					
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds					
U.S. governments	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial and miscellaneous	-	-	-	-	-
Special revenue	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	\$ -	\$ -	\$ -	\$ -	\$ -
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	\$ 1,059,728,370	\$ -	\$ -	\$ -	\$ 1,059,728,370
b. Liabilities at fair value					
Derivative liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

The following table summarizes fair value measurements by level at December 31, 2018 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)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash, cash equivalents, and short-term investments	\$ 807,864,294	\$ -	\$ -	\$ -	\$ 807,864,294
Perpetual preferred stock					
Industrial and miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds					
U.S. governments	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial and miscellaneous	-	2,353,155	-	-	2,353,155
Special revenue	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	\$ -	\$ 2,353,155	\$ -	\$ -	\$ 2,353,155
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	\$ 807,864,294	\$ 2,353,155	\$ -	\$ -	\$ 810,217,449
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, 2019 for all financial instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Cash, cash equivalents and short-term investments	\$ 1,059,728,370	\$ 1,059,728,370	\$ 1,059,728,370	\$ -	\$ -	\$ -	\$ -
Bonds	835,498,978	811,007,881	10,099,154	825,399,824	-	-	-

The following table summarizes fair value measurements by level at December 31, 2018 for all financial instruments:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Cash, cash equivalents and short-term investments	\$ 807,864,294	\$ 807,864,294	\$ 807,864,294	\$ -	\$ -	\$ -	\$ -
Bonds	764,911,362	772,380,497	9,942,065	754,969,297	-	-	-

D. Not Practicable to Estimate Fair Value – None

NOTES TO FINANCIAL STATEMENTS

E. Investments Measured Using the NAV Practical Expedient – None

21. Other Items

- 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 – None

Type II – Nonrecognized Subsequent Events

Subsequent events have been considered through 03/01/2020 for the statutory statement issued on 03/01/2020.

The Company is subject to an annual fee under Section 9010 of the Affordable Care Act (ACA). This annual fee is 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 fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of December 31, 2019 the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2020, and estimates the Company’s portion of the annual health insurance industry fee to be payable on September 30, 2020 to be approximately \$119,489,250. This amount is reflected in special surplus. This assessment is not expected to have a significant impact to the Company’s surplus as of December 31, 2020 compared to the Company’s surplus as of December 31, 2019. Had the estimated ACA fee assessment payable been recorded as of December 31, 2019, the Company would remain in compliance with the minimum statutory surplus requirements. During 2020, the Company expects to be reimbursed by AHCA in order to maintain actuarial soundness of premiums, which will offset the negative surplus and risk-based capital impact that could occur on an interim basis.

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (Y/N)?	Yes	0
B. ACA fee assessment payable for the upcoming year	119,489,250.49	-
C. ACA fee assessment paid	-	42,902,231.11
D. Premium written subject to ACA 9010 assessment	-	-
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	409,444,927.00	-
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	289,955,676.51	-
G. Authorized Control Level (Five-Year Historical Line 15)	115,785,463.00	-
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 periods ended December 31, 2019 and December 31, 2018 which were subject to retrospective rating features was \$3,081,839,051 and \$2,425,857,816, 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	\$ -	\$ -	\$ -	\$ -	\$ -
(2) Medical loss ratio rebates paid	106,266,965	-	-	-	106,266,965
(3) Medical loss ratio rebates unpaid	6,694,931	-	-	-	6,694,931
(4) Plus reinsurance assumed amounts	101,381,854	-	-	-	101,381,854
(5) Less reinsurance ceded amounts	-	-	-	-	-
(6) Rebates unpaid net of reinsurance	-	-	-	-	50,690,927
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ 98,234,745	\$ -	\$ -	\$ -	\$ 98,234,745
(8) Medical loss ratio rebates paid	32,908,242	-	-	-	32,908,242
(9) Medical loss ratio rebates unpaid	166,708,356	-	-	-	166,708,356
(10) Plus reinsurance assumed amounts	166,708,356	-	-	-	-
(11) Less reinsurance ceded amounts	-	-	-	-	83,354,178
(12) Rebates unpaid net of reinsurance	-	-	-	-	83,354,178

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 (including high risk pool payments)	25,662,421.07
Liabilities	
2) Risk adjustment user fees payable for ACA Risk Adjustment	916,510.00
3) Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premium)	516,032,767.48
Operations (Revenue & Expense)	
4) Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk adjustment	(32,263,819.51)
5) Reported in expenses as ACA risk adjustment user fees (incurred/paid)	926,266.21
b) Transitional ACA Reinsurance Program	
Assets	
1) Amounts recoverable for claims paid due to ACA Reinsurance	-
2) Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	-
3) Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities	
4) Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded 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	(60,127.20)
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	-
4) Effect of ACA Risk Corridors on change in reserves for rate credits	-

3)

NOTES TO FINANCIAL STATEMENTS

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

	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	Prior Year	Prior Year	To Prior Year	To Prior Year	Ref	Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
					Accrued Less Payments (Col 1 - 3)	Accrued Less Payments (Col 2 - 4)	Balances	Balances			
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)	
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	28,668,388	-	42,560,411	-	(13,892,023)	-	13,892,023	-	-	-	-
2. Premium adjustments (payable)	-	(350,354,506)	-	(320,422,023)	-	(29,932,483)	-	29,932,483	-	-	(0)
3. Subtotal ACA Permanent Risk Adjustment Program	28,668,388	(350,354,506)	42,560,411	(320,422,023)	(13,892,023)	(29,932,483)	13,892,023	29,932,483	-	-	(0)
b. Transitional ACA Reinsurance Program											
1) Amounts recoverable for claims paid	113,871	-	173,998	-	(60,127)	-	60,127	-	-	-	-
2. Amounts recoverable for claims unpaid (contra liability)	113,871	-	173,998	-	(60,127)	-	60,127	-	-	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	-	-	-
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	-	-	-	-	-	-	-	-	-	-	-
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	-	-	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	-	-	-
7. Subtotal ACA Transitional Reinsurance Program	113,871	-	173,998	-	(60,127)	-	60,127	-	-	-	-
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	-	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	-	-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-	-	-	-
d. Total for ACA Risk Sharing Provisions	28,782,258	(350,354,506)	42,734,409	(320,422,023)	(13,952,151)	(29,932,483)	13,952,151	29,932,483			(0)

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

6) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	Estimated Amount to be filed/final amount filed with federal agency	Non-Accrued Amounts from Impairment of Other Reasons	Amounts received from CMS	Asset balance gross of non-admission (1-2-3)	Non-admitted amounts	Net admitted assets (4-5)
a. 2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. 2015	\$ 1,812,823.00	\$ 1,812,823.00	\$ -	\$ -	\$ -	\$ -
c. 2016	\$ 1,848,059.00	\$ 1,848,059.00	\$ -	\$ -	\$ -	\$ -
d. Total (a+b+c)	\$ 3,660,882.00	\$ 3,660,882.00	\$ -	\$ -	\$ -	\$ -

25. Change in Incurred Claims and Claims Adjustment Expenses

A. Reserves at December 31, 2018 were approximately \$305 million. As of December 31, 2019, approximately \$282 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 \$12 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 \$11 million favorable prior year development during the period ended December 31, 2019. This change is generally the result of ongoing analysis of recent loss development trends. Original estimates are adjusted as additional information becomes known.

B. There have been no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses as of December 31, 2019.

26. Intercompany Pooling Arrangements – None

27. Structured Settlements – Not applicable

NOTES TO FINANCIAL STATEMENTS

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

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
12/31/2019	\$ 17,307,034	\$ 17,307,034	\$ -	\$ -	\$ 1,186
9/30/2019	\$ 30,716,742	\$ 30,716,742	\$ -	\$ -	\$ -
6/30/2019	\$ 26,939,079	\$ 26,939,079	\$ -	\$ -	\$ 26,470,596
3/31/2019	\$ 24,846,904	\$ 24,846,904	\$ -	\$ -	\$ 24,846,902
12/31/2018	\$ 24,001,456	\$ 24,001,456	\$ -	\$ -	\$ 24,001,456
9/30/2018	\$ 19,988,682	\$ 19,988,682	\$ -	\$ -	\$ 19,988,681
6/30/2018	\$ 17,515,174	\$ 17,515,174	\$ -	\$ -	\$ 17,516,026
3/31/2018	\$ 15,832,882	\$ 15,832,882	\$ -	\$ -	\$ 15,832,881
12/31/2017	\$ 13,088,661	\$ 13,088,661	\$ -	\$ -	\$ 13,088,661
9/30/2017	\$ 12,270,489	\$ 12,270,489	\$ -	\$ -	\$ 12,270,489
6/30/2017	\$ 11,095,994	\$ 11,095,994	\$ -	\$ -	\$ 11,095,994
3/31/2017	\$ 10,291,958	\$ 10,291,958	\$ -	\$ -	\$ 10,291,958

B. Risk-Sharing Receivables – None

29. Participating Policies – None

30. Premium Deficiency Reserves

- | | |
|---|-------------------|
| 1) Liability carried for premium deficiency reserves | \$837,617 |
| 2) Date of the most recent evaluation of this liability | December 31, 2019 |
| 3) Was anticipated investment income utilized in the calculation? | Yes [X] No [] |

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated salvage and subrogation in its determination of the liability for unpaid claims/losses and reduced such liability by \$1,364,000 as of December 31, 2019.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Illinois.....
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0001071739.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2017
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2017
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).07/26/2019
- 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 [X] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
 If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign 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 [X]
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]
- 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?
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 \$(85,130,006)
 - 22.22 Amount paid as expenses \$5,100,840
 - 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

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 [X] No []

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

25.21 Subject to repurchase agreements	\$.....
25.22 Subject to reverse repurchase agreements	\$.....
25.23 Subject to dollar repurchase agreements	\$.....
25.24 Subject to reverse dollar repurchase agreements	\$.....
25.25 Placed under option agreements	\$.....
25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$.....
25.27 FHLB Capital Stock	\$.....
25.28 On deposit with states	\$.....2,582,503
25.29 On deposit with other regulatory bodies	\$.....
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	\$.....
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	\$.....
25.32 Other	\$.....

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
 If no, attach a description with this statement.

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

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No [X]
 26.4 If the response to 26.3 is YES, does the reporting entity utilize:
 26.41 Special accounting provision of SSAP No. 108 Yes [] No []
 26.42 Permitted accounting practice Yes [] No []
 26.43 Other accounting guidance Yes [] No []

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [] No [X]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
 27.2 If yes, state the amount thereof at December 31 of the current year. \$.....

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

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

1 Name of Custodian(s)	2 Custodian's Address
Brown Brothers Harriman Trust Company.....	140 Broadway, New York, NY 10005.....
U.S. Bank National Association.....	555 S.W. Oak Street, Portland, OR 67204.....
Wells Fargo Bank, N.A.....	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)
N/A.....		

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

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

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

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.....
New England Asset Management, Inc.....	U.....
Wellington Management Company LLP.....	U.....

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

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

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.....	822,542,258	846,997,015	24,454,757
30.2 Preferred Stocks.....	0		0
30.3 Totals	822,542,258	846,997,015	24,454,757

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

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 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]
34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities? Yes [] No [X]
35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

OTHER

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

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

- 37.1 Amount of payments for legal expenses, if any? \$
- 37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

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

- 38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$
- 38.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers, or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Lewis Rice, LLC.....	\$.....169,946

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No []
- 1.2 If yes, indicate premium earned on U.S. business only. \$6,044,496
- 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. \$5,300,779
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives0
- All years prior to most current three years:
- 1.64 Total premium earned \$6,044,496
- 1.65 Total incurred claims \$5,300,779
- 1.66 Number of covered lives1,692
- 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	\$3,081,251,488	\$	.....2,425,857,816
2.2 Premium Denominator	\$3,081,839,051	\$	.....2,425,857,816
2.3 Premium Ratio (2.1/2.2)	.....1.000		.....1.000
2.4 Reserve Numerator	\$557,479,895	\$	.....279,448,294
2.5 Reserve Denominator	\$913,638,660	\$	.....360,530,338
2.6 Reserve Ratio (2.4/2.5)	.....0.610		.....0.775

- 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 []
- 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 [] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No []
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No []
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$1,200,000
- 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:
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [] No []
- 7.2 If no, give details
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year114,998
- 8.2 Number of providers at end of reporting year183,267
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No []
- 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 [X] No []
- 10.2 If yes:
- | | | |
|---|--|------------------|
| 10.21 Maximum amount payable bonuses | | \$.....3,162,182 |
| 10.22 Amount actually paid for year bonuses | | \$.....5,295,843 |
| 10.23 Maximum amount payable withholds | | \$..... |
| 10.24 Amount actually paid for year withholds | | \$..... |
- 11.1 Is the reporting entity organized as:
- | | | |
|---|--|------------------|
| 11.12 A Medical Group/Staff Model, | | Yes [] No [X] |
| 11.13 An Individual Practice Association (IPA), or, | | Yes [] No [X] |
| 11.14 A Mixed Model (combination of above) ? | | Yes [X] No [] |
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. Illinois.....
- 11.4 If yes, show the amount required. \$.....189,330,488
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation
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 [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....
- 13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 13.4 If yes, please provide the balance of 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 [X]
- 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 (prior to reinsurance assumed or ceded).

15.1 Direct Premium Written \$67,378
 15.2 Total Incurred Claims \$
 15.3 Number of Covered Lives97

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

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []
 16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No []

FIVE - YEAR HISTORICAL DATA

	1 2019	2 2018	3 2017	4 2016	5 2015
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	2,257,489,134	1,918,556,757	1,170,369,701	593,029,861	139,895,927
2. Total liabilities (Page 3, Line 24)	1,848,110,589	1,459,397,683	1,007,868,305	539,777,964	101,707,136
3. Statutory minimum capital and surplus requirement	189,330,488	172,450,612	161,589,104	52,864,078	13,081,486
4. Total capital and surplus (Page 3, Line 33)	409,378,544	459,159,074	162,501,396	53,251,897	38,188,792
Income Statement (Page 4)					
5. Total revenues (Line 8)	3,081,839,051	2,425,857,816	2,126,955,924	781,893,834	170,700,969
6. Total medical and hospital expenses (Line 18)	2,469,346,935	1,781,058,957	1,557,548,883	602,359,034	120,697,083
7. Claims adjustment expenses (Line 20)	40,626,796	28,695,857	32,157,328	14,051,303	4,000,449
8. Total administrative expenses (Line 21)	524,304,943	427,514,503	414,651,307	152,768,088	31,324,432
9. Net underwriting gain (loss) (Line 24)	47,894,885	188,251,605	122,356,701	12,836,262	14,748,166
10. Net investment gain (loss) (Line 27)	42,997,201	30,680,193	10,054,109	2,525,189	1,126,373
11. Total other income (Lines 28 plus 29)	(4,607,349)	(4,345,537)	(11,040,809)	(4,667,595)	694,965
12. Net income or (loss) (Line 32)	67,665,052	162,079,625	77,037,732	1,959,338	8,309,068
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	470,922,252	544,754,249	579,748,097	361,190,232	(46,424,626)
Risk-Based Capital Analysis					
14. Total adjusted capital	409,378,544	459,159,074	162,501,396	53,251,897	38,188,792
15. Authorized control level risk-based capital	115,785,463	86,316,302	80,634,453	26,432,039	3,173,231
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	1,032,080	751,264	531,876	250,937	55,169
17. Total members months (Column 6, Line 7)	13,088,613	10,119,878	7,157,956	3,315,392	617,892
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)	80.1	73.4	73.2	77.0	70.7
20. Cost containment expenses	0.0	0.1	0.0	0.1	0.4
21. Other claims adjustment expenses	1.3	1.1	1.5	1.7	3.5
22. Total underwriting deductions (Line 23)	98.4	92.2	94.2	98.4	91.4
23. Total underwriting gain (loss) (Line 24)	1.6	7.8	5.8	1.6	8.6
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	276,121,746	234,687,660	97,876,004	30,739,899	11,459,888
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	287,553,439	213,580,434	97,945,173	34,483,140	19,987,569
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)	215,007,271	175,424,919	51,060,488	26,338,338	7,353,019
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	215,007,271	175,424,919	51,060,488	26,338,338	7,353,019
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 2019 OF THE CELTIC INSURANCE COMPANY

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status (a)	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	90,427				3,146		93,573	0
2. Alaska	AK	L	3,898						3,898	0
3. Arizona	AZ	L	5,656				587		6,243	0
4. Arkansas	AR	L	383,498,577				5,913		383,504,490	0
5. California	CA	L	13,281				407		13,688	0
6. Colorado	CO	L	4,578				398		4,976	0
7. Connecticut	CT	L	132,826				1,854		134,680	0
8. Delaware	DE	L	19,027				924		19,951	0
9. District of Columbia	DC	L							0	0
10. Florida	FL	L	2,814,401,825				2,276		2,814,404,101	0
11. Georgia	GA	L	233,934						233,934	0
12. Hawaii	HI	L							0	0
13. Idaho	ID	L							0	0
14. Illinois	IL	L	99,675,059				5,296		99,680,355	0
15. Indiana	IN	L	470,339,487				2,219		470,341,706	0
16. Iowa	IA	L	52,517				151		52,668	0
17. Kansas	KS	L	17,594						17,594	0
18. Kentucky	KY	L					1,220		1,220	0
19. Louisiana	LA	L	8,332						8,332	0
20. Maine	ME	L					1,698		1,698	0
21. Maryland	MD	L	23,994						23,994	0
22. Massachusetts	MA	L					2,938		2,938	0
23. Michigan	MI	L	5,605				461		6,066	0
24. Minnesota	MN	L	10,562						10,562	0
25. Mississippi	MS	L	72,337						72,337	0
26. Missouri	MO	L	643,455,130						643,455,130	0
27. Montana	MT	L							0	0
28. Nebraska	NE	L	78,095				1,008		79,103	0
29. Nevada	NV	L	7,363						7,363	0
30. New Hampshire	NH	L	64,970,230						64,970,230	0
31. New Jersey	NJ	L	560,693				1,415		562,108	0
32. New Mexico	NM	L	50,615				6,630		57,245	0
33. New York	NY	N							0	0
34. North Carolina	NC	L	37,806				5,646		43,452	0
35. North Dakota	ND	L	6,940						6,940	0
36. Ohio	OH	L	63,815				1,989		65,804	0
37. Oklahoma	OK	L	4,405				144		4,549	0
38. Oregon	OR	L	87						87	293
39. Pennsylvania	PA	L	67,263						67,263	0
40. Rhode Island	RI	L	5,592						5,592	0
41. South Carolina	SC	L	50,659						50,659	0
42. South Dakota	SD	L	45,225				308		45,533	0
43. Tennessee	TN	L	43,088,224				3,896		43,092,120	0
44. Texas	TX	L	1,673,655,302				5,299		1,673,660,601	0
45. Utah	UT	L	9,878						9,878	0
46. Vermont	VT	L	18,383						18,383	0
47. Virginia	VA	L	74,062				6,613		80,675	0
48. Washington	WA	L							0	0
49. West Virginia	WV	L	12,666						12,666	0
50. Wisconsin	WI	L					2,043		2,043	0
51. Wyoming	WY	L	5,017				2,899		7,916	0
52. American Samoa	AS	N							0	0
53. Guam	GU	N							0	0
54. Puerto Rico	PR	N							0	0
55. U.S. Virgin Islands	VI	N							0	0
56. Northern Mariana Islands	MP	N							0	0
57. Canada	CAN	N							0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		6,194,876,966	0	0	0	67,378	0	6,194,944,344	293
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	XXX		6,194,876,966	0	0	0	67,378	0	6,194,944,344	293
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0	0	0

(a) Active Status Counts
 L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 50 R – Registered – Non-domiciled RRGs 0
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state 0 Q – Qualified – Qualified or accredited reinsurer 0
 N – None of the above – Not allowed to write business in the state lines in the state 7

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE CELTIC INSURANCE COMPANY

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	
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
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	16351
Tennessee Total Care, Inc.	26-1849394	TN	
SilverSummit Healthplan, Inc.	20-4761189	NV	16143
University Health Plans, Inc.	22-3292245	NJ	
Agate Resources, Inc.	20-0483299	OR	
Trillium Community Health Plan, Inc.	42-1694349	OR	12559
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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE CELTIC INSURANCE COMPANY

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
Oklahoma Complete Health Inc.	81-3121527	OK	
Bridgeway Health Solutions, LLC	20-4980875	DE	
Bridgeway Health Solutions of Arizona Inc.	20-4980818	AZ	16310
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	
Illinois Health Practice Alliance, LLC (50%)	82-2761995	DE	
Integrated Care Network of Florida, LLC	84-3023173	DE	
Lifeshare Management Group, LLC	46-2798132	NH	
Arkansas Total Care Holding Company, LLC (25%)	38-4042368	DE	
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	
Integrated Mental Health Management, L.L.C.	74-2892993	TX	
Integrated Mental Health Services	74-2785494	TX	
Envolve Holdings, LLC	22-3889471	DE	
Cenpatico Behavioral Health, LLC	68-0461584	CA	
Cenpatico Behavioral Health of Arizona, LLC	20-1624120	AZ	
Cenpatico of Arizona Inc.	80-0879942	AZ	
Envolve, Inc.	37-1788565	DE	
Envolve - New York, Inc.	47-3454898	NY	
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 IPA of New York, Inc.	83-2460878	NY	
Envolve Vision of Florida, Inc	65-0094759	FL	

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Envolve Total Vision, Inc.	20-4861241	DE	
Envolve Optical, Inc.	82-2908582	DE	
Envolve Dental, Inc.	46-2783884	DE	
Envolve Dental of Florida, Inc.	81-2969330	FL	
Envolve Dental of Texas, Inc.	81-2796896	TX	16106
Envolve Dental IPA of New York, Inc.	83-1464482	NY	
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	
MHM Services, Inc.	82-5316510	DE	
Centurion LLC	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	
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 Maryland, LLC	81-4938030	MD	
Centurion of Alabama, LLC	82-2268901	AL	
Centurion of Georgia, LLC	82-3128848	GA	
Centurion Detention Health Services, LLC	82-4735175	DE	
Centurion of New Hampshire, LLC	82-4823469	DE	
Centurion of Pennsylvania, LLC	82-4823469	PA	
Centurion of West Virginia, LLC	46-4839132	WV	
Centurion of Kansas, LLC	84-3436283	KS	
Centurion of Delaware, LLC	84-3767794	DE	
Centurion of Wyoming, LLC	84-3857653	WY	
MHM Correctional Services, LLC	54-1856340	DE	
MHM Services of California, LLC	51-0620904	CA	
MHM Solutions, LLC	60-0002002	DE	
Forensic Health Services, LLC.	26-1877007	DE	
MHM Health Professionals, LLC	46-1734817	DE	
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	
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	

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE CELTIC INSURANCE COMPANY

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
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 Partners, LLC	46-5735993	DE
Pinnacle Senior Care of Illinois, LLC	83-3534462	IL
VPA, P.C.	38-3176990	MI
IAH of Michigan, PLLC	47-2159305	MI
IAH of Wisconsin, PLLC	47-2146160	MI
VPA of Texas	20-2386997	MI
IAH of Texas, PLLC	35-2519603	MI
Advantechs X-Ray Imaging Services, L.L.C.	36-4539790	TX

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE CELTIC INSURANCE COMPANY

Health Net, LLC	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	
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 Government Services-Guam, Inc.	90-0889803	DE	
MHN Government Services-International, Inc.	90-0889825	DE	
MHN Government Services-Puerto Rico, Inc.	90-0889815	DE	
Network Providers, LLC (10%)	88-0357895	DE	
Health Net Veterans, LLC	35-2490375	DE	
Network Providers, LLC (90%)	88-0357895	DE	
Health Net Health Plan of Oregon, Inc.	93-1004034	OR	95800
Health Net Community Solutions, Inc.	54-2174068	CA	
Health Net of Arizona, Inc.	36-3097810	AZ	95206
Health Net Pharmaceutical Services	68-0295375	CA	
Health Net Community Solutions of Arizona, Inc.	81-1348826	AZ	15895
Health Net Access, Inc.	46-2616037	AZ	
MHS Consulting, International, Inc	20-8630006	DE	
Centene International Ventures, LLC	83-1047281	DE	
MHS European Holdings s.a.r.l.	27-2075447	LUX	
PRIMEROSALUD, S.L.	Foreign	ESP	
Ribera Salud, S.A. (90.1%)	Foreign	ESP	
Torrevieja Salud UTE (65%)	Foreign	ESP	
Ribera Salud II (96~%)	Foreign	ESP	
ERESCANNER (15%)	Foreign	ESP	
BR Salud UTE (45%)	Foreign	ESP	
Marina Salud (35%)	Foreign	ESP	
Villa Maria del Triunfo Salud S.A. C. (5%)	Foreign	PER	
Callao Salud S.A.C. (5%)	Foreign	PER	
Infraestructuras y Servicios de Alzira S.L. (50%)	Foreign	ESP	
Elche-Crevillente Salud (100%)	Foreign	ESP	
B2B Salud	Foreign	ESP	
B2B Gestion integral, S.L.	Foreign	ESP	
B2B Lab,S.L.	Foreign	ESP	
Ribera Salud proyectos S.L.	Foreign	ESP	
Ribera-Quilpro UTE	Foreign	ESP	
Ribera Salud Infraestructuras S.L.U.	Foreign	ESP	
Pro Diagnostic Group, a.s (66.43%)	Foreign	SVK	
Pro RTG (80%)		SVK	
DR Magnet		SVK	
Pro Magnet		SVK	

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Medicina NZ		SVK	
MR Poprad		SVK	
CT Poprad		SVK	
MR Zilina		SVK	
Pro Magnet CZ		CZE	
Progress Medical a.s.		CZE	
OB Klinika, a.s.		CZE	
OB Care, s.r.o		CZE	
Hospital Povisa, S.A. (93.29%)		ESP	
Ribera Salud Tecnologias S.L.U.	Foreign	ESP	
Torre vieja Salud S.L.U.	Foreign	ESP	
Torre vieja Salud UTE (35%)	Foreign	ESP	
Torrejon Salud, S.A. (89.47%)	Foreign	ESP	
MH Services International Holdings (UK) Limited	Foreign	GBR	
MH Services International (UK) Limited	Foreign	GBR	
Operose Health Ltd.	Foreign	GBR	
Operose Health (Group) Ltd.	Foreign	GBR	
Operose Health Corporate Management Ltd.	Foreign	GBR	
Operose Health Services Ltd.	Foreign	GBR	
The Practice Surgeries Limited	Foreign	GBR	
Phoenix Primary Care Limited	Foreign	GBR	
Phoenix Primary (South) Limited	Foreign	GBR	
Circle Health Holdings Limited (19.9%)	Foreign	GBR	
Circle Holdings Limited	Foreign	JEY	
Health Properties Limited	Foreign	JEY	
Health Property (South Manchester) Limited	Foreign	JEY	
Circle Partnership Limited	Foreign	VGB	
Circle Health Limited (49.9%)	Foreign	GBR	
Circle International Plc	Foreign	GBR	
Circle Health Limited (50.1%)	Foreign	GBR	
Nations Healthcare Limited	Foreign	GBR	
Circle Nottingham Limited	Foreign	GBR	
Circle Rehabilitation Services	Foreign	GBR	
Circle Hospital (Bath) Limited	Foreign	GBR	
Circle Hospital (Reading) Limited	Foreign	GBR	
Circle Clinical Services Limited	Foreign	GBR	
Circle Birmingham Limited	Foreign	GBR	
Circle Harmony Health Limited (50%)	Foreign	CHN	
Shanghai Circle Harmony Hospital Management	Foreign	CHN	
Centene Europe Finance Company Limited	Foreign	MLT	
Centene Health Plan Holdings, Inc.	82-1172163	DE	
Ambetter of North Carolina, Inc.	82-5032556	NC	16395
Carolina Complete Health Holding Company Partnership (80%)	82-2699483	DE	
Carolina Complete Health, Inc.	82-2699332	NC	16526
New York Quality Healthcare Corporation	82-3380290	NY	

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Salus Administrative Services, Inc.	55-0878053	NY	
Salus IPA, LLC	82-0802846	NY	
Calibrate Acquisition Co	82-4670677	DE	
Community Medical Holdings Corp	47-4179393	DE	
Access Medical Acquisition, Inc.	46-3485489	DE	
Access Medical Group of North Miami Beach, Inc.	45-3191569	FL	
Access Medical Group of Miami, Inc.	45-3191719	FL	
Access Medical Group of Hialeah, Inc.	45-3192283	FL	
Access Medical Group of Westchester, Inc.	45-3199819	FL	
Access Medical Group of Opa-Locka, Inc.	45-3505196	FL	
Access Medical Group of Perrine, Inc.	45-3192955	FL	
Access Medical Group of Florida City, Inc.	45-3192366	FL	
Access Medical Group of Tampa, Inc.	82-1737078	FL	
Access Medical Group of Tampa II, Inc.	82-1750978	FL	
Access Medical Group of Tampa III, Inc.	82-1773315	FL	
Access Medical Group of Lakeland, LLC	84-2750188	FL	
Interpreta Holdings, Inc. (80.1%)	82-4883921	DE	
Interpreta, Inc.	46-5517858	DE	
Patriots Holding Co	82-4581788	DE	
RxAdvance Corporation (30.33%)		DE	
Centene Venture Company Alabama Health Plan, Inc.	84-3707689	AL	
Centene Venture Company Michigan	83-2446307	MI	16613
Next Door Neighbors, LLC (60%)	32-2434596	DE	
Next Door Neighbors, Inc.	83-2381790	DE	
Centene Venture Company Illinois	83-2425735	IL	16505
Centene Venture Company Kansas	83-2409040	KS	16528
Centene Venture Company Florida	83-2434596	FL	16499
Centene Venture Company Indiana, Inc.	84-3679376	IN	
Centene Venture Company Tennessee	84-3724374	TN	
HealthEC, LLC (12.8%)			
Arch Personalized Medicine Initiative, LLC (50%)	83-4144116	MO	
Social Health Bridge, LLC	83-4205348	DE	
Social Health Bridge Trust	84-6403386	DE	
Wellington Merger Sub I, LLC		DE	
Wellington Merger Sub II, Inc.	83-4405939	DE	
QCA Healthplan, Inc.	71-0794605	AR	95448
Qualchoice Life and Health Insurance Company	71-0386640	AR	70998
Hudson Acquisition, LLC	83-3502610	TX	
HealthSmart Benefits Management, LLC	36-4099199	TX	
Parker LP, LLC	20-2387587	NV	
HealthSmart Preferred Care II, LP (99%)	75-2508316	TX	
HealthSmart Primary Care Clinics, LP (99%)	20-3394046	TX	
HealthSmart Care Management Solutions, LP (99%)	75-2960859	TX	
HealthSmart Information Systems, Inc.	75-2727437	TX	
HealthSmart Benefit Solutions, Inc.	36-4099199	IL	

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HealthSmart Preferred Network II, Inc	06-1621470	DE
HealthSmart Rx Solutions, Inc.	34-1635597	OH
Mauli Ola Health and Wellness, Inc.		HI
District Community Care Inc.	84-4119570	DC

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