



**QUARTERLY STATEMENT**  
**AS OF MARCH 31, 2015**  
**OF THE CONDITION AND AFFAIRS OF THE**  
**QCA Health Plan, Inc.**

NAIC Group Code 4807 , 0000 NAIC Company Code 95448 Employer's ID Number 71-0794605  
(Current Period) (Prior Period)

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

Country of Domicile United States of America

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

Incorporated/Organized 04/08/1996 Commenced Business 07/31/1996

Statutory Home Office 12615 Chenal Parkway, Suite 300 , Little Rock, AR, 72211  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 12615 Chenal Parkway, Suite 300  
(Street and Number)

Little Rock, AR, 72211 (501)228-7111  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 12615 Chenal Parkway, Suite 300 , Little Rock, AR, 72211  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 12615 Chenal Parkway, Suite 300  
(Street and Number)

Little Rock, AR, 72211 (501)228-7111  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.qualchoice.com

Statutory Statement Contact Randall Crow (501)219-5109  
(Name) (Area Code)(Telephone Number)(Extension)  
randall.crow@qualchoice.com (501)228-0135  
(E-Mail Address) (Fax Number)

**OFFICERS**

Name	Title
Michael Edward Stock	President
Randall Alvin Crow	Treasurer
Elizabeth Goldner Hubbard	Secretary

**OTHERS**

Joni Self Daniels, Vice President-Operations  
 Betty Jo Tatum-Himes, Vice President - Sales & Marketing  
 Stephen Sorsby M.D., Vice President - Medical Affairs  
 Jon Foose, Vice President - Underwriting

**DIRECTORS OR TRUSTEES**

Mark Fred Bjornson  
 Steven Charles Schramm  
 Charles Hanson  
 Christine William Mulheren  
 Philip Linwood Foster

State of Arkansas  
 County of Pulaski ss

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

_____ (Signature) Michael Edward Stock _____ (Printed Name) 1. President _____ (Title)	_____ (Signature) Randall Alvin Crow _____ (Printed Name) 2. Treasurer _____ (Title)	_____ (Signature) Liz Hubbard _____ (Printed Name) 3. Secretary _____ (Title)
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2015

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

Yes[X] No[ ]

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 (Notary Public Signature)

**DIRECTORS OR TRUSTEES (continued)**

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	18,857,874		18,857,874	18,816,749
2. Stocks:				
2.1 Preferred stocks .....	1,500,000		1,500,000	1,500,000
2.2 Common stocks .....	6,176,444		6,176,444	6,014,391
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....36,122,626), cash equivalents (\$.....0) and short-term investments (\$.....0) .....	36,122,626		36,122,626	28,949,208
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....	5,460		5,460	5,460
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	62,662,404		62,662,404	55,285,808
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	56,428		56,428	37,094
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	259,475	4,524	254,951	360,246
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums .....				3,901,597
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....				3,660,299
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....	4,009,475		4,009,475	
17. Amounts receivable relating to uninsured plans .....	3,015,174		3,015,174	531,521
18.1 Current federal and foreign income tax recoverable and interest thereon .....				81,027
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....	625,021	625,021		
21. Furniture and equipment, including health care delivery assets (\$.....0) .....	297,031	297,031		
22. Net adjustments in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....	634,989		634,989	
24. Health care (\$.....0) and other amounts receivable .....	264,506	140,028	124,478	159,686
25. Aggregate write-ins for other than invested assets .....	2,590,270	2,590,270		
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	74,414,773	3,656,874	70,757,899	64,017,278
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	74,414,773	3,656,874	70,757,899	64,017,278
<b>DETAILS OF WRITE-INS</b>				
1101. rounding .....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid Expenses .....	2,090,270	2,090,270		
2502. Other Intangible Assets .....	500,000	500,000		
2503. rounding .....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	2,590,270	2,590,270		

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded) .....	24,687,844	3,034,666	27,722,510	27,836,853
2. Accrued medical incentive pool and bonus amounts .....	491,735		491,735	313,457
3. Unpaid claims adjustment expenses .....	842,963		842,963	844,326
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....	75,338		75,338	75,339
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserve .....				
7. Aggregate health claim reserves .....				
8. Premiums received in advance .....	3,057,858		3,057,858	2,560,477
9. General expenses due or accrued .....	5,149,801		5,149,801	1,396,964
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) .....	71,726		71,726	
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....				
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....				972,183
16. Derivatives .....				
17. Payable for securities .....				
18. Payable for securities lending .....				
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20. Reinsurance in unauthorized and certified (\$.....0) companies .....				
21. Net adjustments in assets and liabilities due to foreign exchange rates .....				
22. Liability for amounts held under uninsured plans .....	4,799,590		4,799,590	1,915,027
23. Aggregate write-ins for other liabilities (including \$.....0 current) .....	7,813,792	(1)	7,813,791	7,813,793
24. Total liabilities (Lines 1 to 23) .....	46,990,647	3,034,665	50,025,312	43,728,419
25. Aggregate write-ins for special surplus funds .....	X X X	X X X	689,272	2,757,089
26. Common capital stock .....	X X X	X X X	2,454	2,454
27. Preferred capital stock .....	X X X	X X X	25,500,046	25,500,046
28. Gross paid in and contributed surplus .....	X X X	X X X	9,500,000	9,500,000
29. Surplus notes .....	X X X	X X X	5,000,000	5,000,000
30. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31. Unassigned funds (surplus) .....	X X X	X X X	(19,958,825)	(22,470,370)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X	360	360
32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	20,732,587	20,288,859
34. Total Liabilities, capital and surplus (Lines 24 and 33) .....	X X X	X X X	70,757,899	64,017,278
<b>DETAILS OF WRITE-INS</b>				
2301. rounding .....		(1)	(1)	1
2302. ACA Risk Sharing Payable .....	7,813,792		7,813,792	7,813,792
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	7,813,792	(1)	7,813,791	7,813,793
2501. ACA Section 9010 Assessment .....	X X X	X X X	689,272	2,757,089
2502. ....	X X X	X X X		
2503. ....	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X	689,272	2,757,089
3001. ....	X X X	X X X		
3002. ....	X X X	X X X		
3003. ....	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months .....	X X X	151,280	118,512	518,147
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	51,265,953	35,977,264	159,762,626
3. Change in unearned premium reserves and reserves for rate credits .....	X X X			
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X			
5. Risk revenue .....	X X X			
6. Aggregate write-ins for other health care related revenues .....	X X X			
7. Aggregate write-ins for other non-health revenues .....	X X X			
8. Total revenues (Lines 2 to 7) .....	X X X	51,265,953	35,977,264	159,762,626
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....	781,739	29,499,570	23,069,242	109,099,838
10. Other professional services .....				
11. Outside referrals .....				
12. Emergency room and out-of-area .....	127,365	4,806,245	508,496	6,619,125
13. Prescription drugs .....		6,673,731	4,632,547	22,607,050
14. Aggregate write-ins for other hospital and medical .....				
15. Incentive pool, withhold adjustments and bonus amounts .....				
16. Subtotal (Lines 9 to 15) .....	909,104	40,979,546	28,210,285	138,326,013
<b>Less:</b>				
17. Net reinsurance recoveries .....		64,270		730,701
18. Total hospital and medical (Lines 16 minus 17) .....	909,104	40,915,276	28,210,285	137,595,312
19. Non-health claims (net) .....				
20. Claims adjustment expenses, including \$.....1,285,720 cost containment expenses .....		1,861,695	1,721,782	6,036,868
21. General administrative expenses .....		6,658,648	6,333,364	22,347,015
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....				
23. Total underwriting deductions (Lines 18 through 22) .....	909,104	49,435,619	36,265,431	165,979,195
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	1,830,334	(288,167)	(6,216,569)
25. Net investment income earned .....		48,582	51,798	350,270
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			(36,187)	640,566
27. Net investment gains or (losses) (Lines 25 plus 26) .....		48,582	15,611	990,836
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....				
29. Aggregate write-ins for other income or expenses .....				
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X	1,878,916	(272,556)	(5,225,733)
31. Federal and foreign income taxes incurred .....	X X X		569,218	
32. Net income (loss) (Lines 30 minus 31) .....	X X X	1,878,916	(841,774)	(5,225,733)
<b>DETAILS OF WRITE-INS</b>				
0601. ....	X X X			
0602. ....	X X X			
0603. ....	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X			
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X			
0701. ....	X X X			
0702. ....	X X X			
0703. ....	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X			
0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) .....	X X X			
1401. ....				
1402. ....				
1403. ....				
1498. Summary of remaining write-ins for Line 14 from overflow page .....				
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....				
2901. rounding .....				
2902. Miscellaneous Income/Expense .....				
2903. rounding .....				
2998. Summary of remaining write-ins for Line 29 from overflow page .....				
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....				

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year .....	20,288,859	12,820,591	12,820,591
34. Net income or (loss) from Line 32 .....	1,878,916	(841,774)	(5,225,733)
35. Change in valuation basis of aggregate policy and claim reserves .....			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0	296,914	356,167	44,702
37. Change in net unrealized foreign exchange capital gain or (loss) .....			
38. Change in net deferred income tax .....	380,571	569,218	(10,399)
39. Change in nonadmitted assets .....	(2,112,673)	(1,019)	(1,887,893)
40. Change in unauthorized and certified reinsurance .....			
41. Change in treasury stock .....			
42. Change in surplus notes .....			5,000,000
43. Cumulative effect of changes in accounting principles .....			
44. Capital Changes:			
44.1 Paid in .....			
44.2 Transferred from surplus (Stock Dividend) .....			
44.3 Transferred to surplus .....			
45. Surplus adjustments:			
45.1 Paid in .....		7,500,000	7,500,000
45.2 Transferred to capital (Stock Dividend) .....			
45.3 Transferred from capital .....			
46. Dividends to stockholders .....			
47. Aggregate write-ins for gains or (losses) in surplus .....		(4)	2,047,591
48. Net change in capital and surplus (Lines 34 to 47) .....	443,728	7,582,588	7,468,268
49. Capital and surplus end of reporting period (Line 33 plus 48) .....	20,732,587	20,403,179	20,288,859
<b>DETAILS OF WRITE-INS</b>			
4701. Rounding .....		(4)	
4702. PPE contribution .....			2,047,591
4703. 0 .....			
4798. Summary of remaining write-ins for Line 47 from overflow page .....			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....		(4)	2,047,591

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	53,702,408	38,723,134	156,561,134
2. Net investment income .....	25,754	69,724	305,756
3. Miscellaneous income .....	185,283	41,782	(102,048)
4. TOTAL (Lines 1 to 3) .....	53,913,445	38,834,640	156,764,842
5. Benefit and loss related payments .....	37,191,042	26,034,747	125,646,465
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	4,367,959	7,459,973	26,519,319
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	(830,238)		
10. TOTAL (Lines 5 through 9) .....	40,728,763	33,494,720	152,165,784
11. Net cash from operations (Line 4 minus Line 10) .....	13,184,682	5,339,920	4,599,058
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	260,000	1,988,755	10,121,345
12.2 Stocks .....		101,550	6,316,040
12.3 Mortgage loans .....			
12.4 Real estate .....			
12.5 Other invested assets .....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....			
12.7 Miscellaneous proceeds .....	89,407		
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7) .....	349,407	2,090,305	16,437,385
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	252,177	908,309	17,954,507
13.2 Stocks .....		1,121,349	4,763,209
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....		2	
13.7 TOTAL investments acquired (Lines 13.1 to 13.6) .....	252,177	2,029,660	22,717,716
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	97,230	60,645	(6,280,331)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....			5,000,000
16.2 Capital and paid in surplus, less treasury stock .....		7,500,000	7,500,000
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....			
16.6 Other cash provided (applied) .....	(6,108,494)	(5,406,686)	9,035,025
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	(6,108,494)	2,093,314	21,535,025
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	7,173,418	7,493,879	19,853,752
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	28,949,208	9,095,456	9,095,456
19.2 End of period (Line 18 plus Line 19.1) .....	36,122,626	16,589,335	28,949,208

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

20.0001				
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## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year .....	57,227	27,389	29,375				463			
2. First Quarter .....	49,901	28,598	20,882				421			
3. Second Quarter .....										
4. Third Quarter .....										
5. Current Year .....										
6. Current Year Member Months .....	151,280	84,863	65,178				1,239			
Total Member Ambulatory Encounters for Period:										
7. Physician .....	87,314	48,966	37,608				740			
8. Non-Physician .....	52,257	29,490	22,649				118			
9. Total .....	139,571	78,456	60,257				858			
10. Hospital Patient Days Incurred .....	3,029	1,708	1,311				10			
11. Number of Inpatient Admissions .....	758	427	328				3			
12. Health Premiums Written (a) .....	51,709,527	29,813,662	21,407,604				488,261			
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	51,709,527	29,813,662	21,407,604				488,261			
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	40,666,059	23,446,436	16,835,638				383,985			
18. Amount Incurred for Provision of Health Care Services .....	40,979,546	23,627,180	16,965,421				386,945			

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

**CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)****Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Unpaid .....						
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....	1,407,814	815,256	365,386	232,088	214,122	3,034,666
0399999 Aggregate Accounts Not Individually Listed - Covered .....	9,765,314	5,655,027	2,534,502	1,609,881	1,485,262	21,049,986
0499999 Subtotals .....	11,173,128	6,470,283	2,899,888	1,841,969	1,699,384	24,084,652
0599999 Unreported claims and other claim reserves .....						3,637,858
0699999 Total Amounts Withheld .....						
0799999 Total Claims Unpaid .....						27,722,510
0899999 Accrued Medical Incentive Pool And Bonus Amounts .....						491,735

## UNDERWRITING AND INVESTMENT EXHIBIT

### ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

	Claims Paid Year to Date		Liability End of Current Quarter		5	6
	1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital & medical) .....	14,937,572	25,743,290	3,512,433	23,983,681	18,450,005	27,696,788
2. Medicare Supplement .....						
3. Dental only .....						
4. Vision only .....						
5. Federal Employees Health Benefits Plan .....	141,746	244,283	28,921	197,475	170,667	140,065
6. Title XVIII - Medicare .....						
7. Title XIX - Medicaid .....						
8. Other health .....						
9. Health subtotal (Lines 1 to 8) .....	15,079,318	25,987,573	3,541,354	24,181,156	18,620,672	27,836,853
10. Healthcare receivables (a) .....	178,699	222,133	264,506		443,205	449,789
11. Other non-health .....			75,339		75,339	75,339
12. Medical incentive pools and bonus amounts .....			313,458	178,277	313,458	313,458
13. Totals (Lines 9 - 10 + 11 + 12) .....	14,900,619	25,765,440	3,665,645	24,359,433	18,566,264	27,775,861

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

# Notes to Financial Statement

## QCA HEALTH PLAN, INC.

### Notes to Financial Statements - Statutory Basis

#### (1) Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies used in the preparation of the accompanying financial statements. Such policies are in conformity with the Annual Statement Instructions and the Accounting Practices and Procedures Manual of the National Association of Insurance Commissioners (“NAIC”) and the accounting practices as prescribed or permitted by the Arkansas Insurance Department and are not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

**Cash and Cash Equivalents and Short Term Investments:** The Company considers all cash accounts and all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Certificates of deposit with a maturity of more than four months but less than one year are considered short term investments and are stated at cost.

**Premiums Receivable:** The Company uses the allowance method of accounting for uncollectible receivables. Premiums receivable represent medical premium revenue that has been billed and recognized as revenue, but has not been collected.

**Investment Securities:** Bonds and other debt instruments for which the Company intends to hold to until they mature are classified as held to maturity and are stated at cost adjusted for amortization of premiums and accretion of discounts computed by the interest method. Stocks and bond funds which have no set maturity date are classified as available for sale and are stated at fair market value.

**Medical Claims Payable:** Reported claims expected to be paid after the balance sheet date for services provided to members prior to the balance sheet date are recorded as liabilities. Claims for services provided to members during the financial reporting period which are unreported at the balance sheet date are estimated based on the Company’s claims experience and recorded as liabilities. The amounts recorded are based upon estimates of the ultimate net cost of such services provided. These reserves are subject to continuous review by management and changes in estimates are reflected in earnings currently.

**Income Taxes:** Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due.

**Revenue:** Medical premium revenue is recognized in the month in which members are entitled to receive health care services. Medical premiums collected in advance are recorded as unearned premium revenue.

**Cost of Benefits Provided:** Cost of benefits provided includes the costs of all medical services delivered to enrolled members of the Company and for whom the Company has recorded medical premium revenue during the reporting period. These costs include payments for specific medical services paid to physicians, hospitals, and other health care providers on a fee-for-service basis. Costs of benefits include claims paid, claims in process and pending, estimates of unreported claims and charges, and processing costs of those estimates at the end of the fiscal year for which the Company will be responsible. There are certain provider contracts within the network that contain various risk sharing arrangements, in which the unallocated withhold amounts for members who have not designated a primary care physician are returned to the Company as part of the settlement and administration of such risk sharing arrangements and accordingly are recorded as a reduction of cost of benefits provided.

**Premium Tax:** The state in which the Company does business requires the remittance of premium taxes based upon a percentage of billed premiums.

## Notes to Financial Statement

**Advertising Costs:** Advertising and promotions related expenses are charged to operations when incurred.

**Non-Admitted Assets:** Certain assets (principally pharmaceutical rebate receivables, property plant and equipment, goodwill and deferred tax assets not expected to be realized within a 12 month period) designated as "non-admitted" are not included in the financial statements.

**Accounting Estimates:** The preparation of financial statements in conformity with the accounting practices described above requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

(2) **Accounting Changes and Corrections of Errors**

None.

(3) **Business Combinations and Goodwill**

None.

(4) **Discontinued Operations**

None.

(5) **Investments**

No significant changes.

(6) **Joint Ventures, Partnerships and Limited Liability Companies**

No significant changes.

(7) **Investment Income**

Realized losses and gains in Investment Income due to a realized loss or gain on the sale of ETF's are reported on the Income statement as required. Unrealized losses and gains are recorded on page 5.

(8) **Derivative Instruments**

None.

(9) **Income Taxes**

No significant changes.

(10) **Information Concerning Parent, Subsidiaries and Affiliates**

None.

(11) **Debt**

None.

(12) **Retirement Plans, Deferred Compensation and Other Postretirement Benefit and Compensated Absences and Other Postretirement Benefit Plans**

## Notes to Financial Statement

No significant changes.

**(13) Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

No significant changes.

**(14) Contingencies**

No significant changes.

**(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 A&H Plans and The Uninsured Portion of Partially Insured Plans**

No significant changes.

**(19) Direct Premium Written/Produced By Managing General Agents/Third Party Administrators**

None

**(20) Fair Value Measurements**

All investments are recorded at amortized cost, except for ETF's referenced in #5 above. ETF's are adjusted to market value on a monthly basis.

**(21) Other Items**

J. Risk Sharing Provisions of the Affordable Care Act

1. Permanent Risk Adjustment Program

Assets	Amount
a. Premium Adjustment Receivable	\$0
Liabilities	
b. Risk Adjustment User Fees Payable	\$0
c. Premium Adjustments Payable	\$0
Operations (Revenue & Expense)	
d. Premium for Accident and Health Contracts	\$0

**Notes to Financial Statement**

## 2. Transitional Reinsurance Program

## Assets

a. Amounts recoverable for claims paid	\$0
b. Amounts recoverable for claims unpaid	\$0
c. Amounts receivable relating to uninsured plans	\$0

## Liabilities

d. Claims unpaid-ceded	\$0
e. Contributions payable-not reported as ceded	\$0
f. Ceded reinsurance premiums payable	\$0
g. Liability for amounts held under uninsured plans	\$0

## Operations (Revenue &amp; Expense)

h. Ceded reinsurance premiums	\$0
i. Reinsurance recoveries	\$0
j. Contributions-not reported as ceded premiums	\$0

## 3. Temporary Risk Corridors Program

## Assets

a. Accrued retrospective premium	\$0
----------------------------------	-----

## Liabilities

b. Reserve for rate credits/policy exp rating refunds	\$0
---	-----

## Operations (Revenue &amp; Expense)

c. Net premium income (paid/received)	\$0
d. Change in reserves for rate credits	\$0

4. Have there been any material re-estimations and/or impairments for the reporting period? **NO**

**(22) Events Subsequent**

None

**(23) Reinsurance**

No significant changes.

**(24) Retrospectively Rated Contracts & Contracts Subject To Redetermination**

None.

**(25) Change In Incurred Claims and Claim Adjustment Expenses**

## **Notes to Financial Statement**

None.

**(26) Intercompany Pooling Arrangements**

None.

**(27) Structured Settlements**

None.

**(28) Health Care Receivables**

No significant changes.

**(29) Participating Policies**

None.

**(30) Premium Deficiency Reserves**

There have been no changes in premium deficiency reserves since year end.

**(31) Anticipated Salvage and Subrogation**

None.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[ ] N/A[X]
  
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]
- 2.2 If yes, date of change: .....
  
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[ ] No[X]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[ ] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
  
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[ ] No[ ] N/A[X]  
If yes, attach an explanation.
  
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2011 .....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/2011 .....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 05/30/2013 .....
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[ ] No[ ] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[ ] N/A[X]
  
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
- 7.2 If yes, give full information
  
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.].

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	.....	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
  - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
  - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
  - (c) Compliance with applicable governmental laws, rules and regulations;
  - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
  - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[X] No[ ]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 634,989

### INVESTMENT

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

## GENERAL INTERROGATORIES (Continued)

### INVESTMENT

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....		
14.22 Preferred Stock .....	1,500,000	1,500,000
14.23 Common Stock .....		
14.24 Short-Term Investments .....		
14.25 Mortgages Loans on Real Estate .....		
14.26 All Other .....	5,460	5,460
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	1,505,460	1,505,460
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes  No   
Yes  No  N/A

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$ ..... 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$ ..... 0

16.3 Total payable for securities lending reported on the liability page

\$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes  No

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

1 Name of Custodian(s)	2 Custodian Address
Arvest Asset Management .....	200 Commerce Dr. Ste. 100, Little Rock, AR .....
Stephens Bank Trust .....	111 Center Street, Little Rock, AR .....

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes  No

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

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

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Arvest Trust .....	Dennis Whitaker .....	200 Commerce Dr. Ste. 100 Little Rock, AR .....
Stephens Inc. ....	Alan Tedford .....	111 Center Street, Little Rock, AR .....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes  No

18.2 If no, list exceptions:

## GENERAL INTERROGATORIES

### PART 2 - HEALTH

1. Operating Percentages:	
1.1 A&H loss percent	82.220%
1.2 A&H cost containment percent	3.090%
1.3 A&H expense percent excluding cost containment expenses	17.386%
2.1 Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$..... 0
2.3 Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$..... 0

**SCHEDULE S - CEDED REINSURANCE**  
**Showing All New Reinsurance Treaties - Current Year to Date**

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
			<b>NONE</b>					

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS****Current Year to Date - Allocated by States and Territories**

State, Etc.	1 Active Status	Direct Business Only							
		2 Accident and Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life and Annuity Premiums and Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama (AL) .....	N								
2. Alaska (AK) .....	N								
3. Arizona (AZ) .....	N								
4. Arkansas (AR) .....	L	51,221,266			488,261		51,709,527		
5. California (CA) .....	N								
6. Colorado (CO) .....	N								
7. Connecticut (CT) .....	N								
8. Delaware (DE) .....	N								
9. District of Columbia (DC) .....	N								
10. Florida (FL) .....	N								
11. Georgia (GA) .....	N								
12. Hawaii (HI) .....	N								
13. Idaho (ID) .....	N								
14. Illinois (IL) .....	N								
15. Indiana (IN) .....	N								
16. Iowa (IA) .....	N								
17. Kansas (KS) .....	N								
18. Kentucky (KY) .....	N								
19. Louisiana (LA) .....	N								
20. Maine (ME) .....	N								
21. Maryland (MD) .....	N								
22. Massachusetts (MA) .....	N								
23. Michigan (MI) .....	N								
24. Minnesota (MN) .....	N								
25. Mississippi (MS) .....	N								
26. Missouri (MO) .....	N								
27. Montana (MT) .....	N								
28. Nebraska (NE) .....	N								
29. Nevada (NV) .....	N								
30. New Hampshire (NH) .....	N								
31. New Jersey (NJ) .....	N								
32. New Mexico (NM) .....	N								
33. New York (NY) .....	N								
34. North Carolina (NC) .....	N								
35. North Dakota (ND) .....	N								
36. Ohio (OH) .....	N								
37. Oklahoma (OK) .....	N								
38. Oregon (OR) .....	N								
39. Pennsylvania (PA) .....	N								
40. Rhode Island (RI) .....	N								
41. South Carolina (SC) .....	N								
42. South Dakota (SD) .....	N								
43. Tennessee (TN) .....	N								
44. Texas (TX) .....	N								
45. Utah (UT) .....	N								
46. Vermont (VT) .....	N								
47. Virginia (VA) .....	N								
48. Washington (WA) .....	N								
49. West Virginia (WV) .....	N								
50. Wisconsin (WI) .....	N								
51. Wyoming (WY) .....	N								
52. American Samoa (AS) .....	N								
53. Guam (GU) .....	N								
54. Puerto Rico (PR) .....	N								
55. U.S. Virgin Islands (VI) .....	N								
56. Northern Mariana Islands (MP) .....	N								
57. Canada (CAN) .....	N								
58. Aggregate other alien (OT) .....	X X X								
59. Subtotal .....	X X X	51,221,266			488,261		51,709,527		
60. Reporting entity contributions for Employee Benefit Plans .....	X X X								
61. Total (Direct Business) .....	(a) 1	51,221,266			488,261		51,709,527		
<b>DETAILS OF WRITE-INS</b>									
58001. ....	X X X								
58002. ....	X X X								
58003. ....	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page .....	X X X								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) .....	X X X								

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

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

# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

## MEMBERS OF A HOLDING COMPANY GROUP

### PART 1 - ORGANIZATIONAL CHART

Organizational Chart



Q15

## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	*
4807	Catholic Health Initiatives Grp	95448	71-0794605				QCA Health Plan, Inc.	AR	RE	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	70998	71-0386640				QualChoice Life and Health Insurance Company, Inc.	AR	RE	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	12909	42-1720801				Soundpath Health, Inc.	WA	IA	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	15493	46-4495960				ClearRiver Health	TN	IA	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	15488	46-4368223				Heartland Plains Health	NE	IA	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	15499	46-4380824				RiverLink Health	OH	IA	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	15486	46-4828332				RiverLink Health of Kentucky, Inc.	KY	IA	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	
4807	Catholic Health Initiatives	15487	46-4373713				StableView Health	KY	IA	Promience Health Plan Services	Ownership	100.0	Catholic Health Initiatives	

Asterisk	Explanation
0000001	

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

**RESPONSE**

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

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



95448201536500001

2015

Document Code: 365

**OVERFLOW PAGE FOR WRITE-INS**

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1	2	3	4
	Uncovered	Total	Total	Total
0697. Summary of remaining write-ins for Line 6 (Lines 0604 through 0696) .....	X X X	.....	.....	.....
0797. Summary of remaining write-ins for Line 7 (Lines 0704 through 0796) .....	X X X	.....	.....	.....
1497. Summary of remaining write-ins for Line 14 (Lines 1404 through 1496) .....	.....	.....	.....	.....
2904. 0 .....	.....	.....	.....	.....
2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996) .....	.....	.....	.....	.....

**SCHEDULE A - VERIFICATION****Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

**NONE****SCHEDULE B - VERIFICATION****Mortgage Loans**

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

**NONE****SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	5,460	5,634
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		174
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) .....	5,460	5,460
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....	5,460	5,460

**SCHEDULE D - VERIFICATION****Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	26,331,140	19,327,363
2. Cost of bonds and stocks acquired .....	252,177	22,717,716
3. Accrual of discount .....	5,903	47,642
4. Unrealized valuation increase (decrease) .....	207,507	44,702
5. Total gain (loss) on disposals .....		640,564
6. Deduct consideration for bonds and stocks disposed of .....	260,000	16,437,385
7. Deduct amortization of premium .....	2,409	9,462
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) .....	26,534,318	26,331,140
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	26,534,318	26,331,140

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	18,816,749	252,177	260,000	48,948	18,857,874			18,816,749
2. NAIC 2 (a) .....								
3. NAIC 3 (a) .....								
4. NAIC 4 (a) .....								
5. NAIC 5 (a) .....								
6. NAIC 6 (a) .....								
7. Total Bonds .....	18,816,749	252,177	260,000	48,948	18,857,874			18,816,749
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	18,816,749	252,177	260,000	48,948	18,857,874			18,816,749

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

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**SI03 Schedule DA Part 1 ..... NONE**

**SI03 Schedule DA Verification ..... NONE**

**SI04 Schedule DB - Part A Verification ..... NONE**

**SI04 Schedule DB - Part B Verification ..... NONE**

**SI05 Schedule DB Part C Section 1 ..... NONE**

**SI06 Schedule DB Part C Section 2 ..... NONE**

**SI07 Schedule DB - Verification ..... NONE**

**SI08 Schedule E - Verification (Cash Equivalents) ..... NONE**

**E01 Schedule A Part 2 . . . . . NONE**

**E01 Schedule A Part 3 . . . . . NONE**

**E02 Schedule B Part 2 . . . . . NONE**

**E02 Schedule B Part 3 . . . . . NONE**

**E03 Schedule BA Part 2 . . . . . NONE**

**E03 Schedule BA Part 3 . . . . . NONE**

## SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
912828UL2 .....	US Treasury Note .....		01/30/2015 .....	Stephens Inc. ....	X X X .....	252,177 .....	250,000 .....	19 .....	1FE .....
0599999 Subtotal - Bonds - U.S. Governments .....					X X X .....	252,177 .....	250,000 .....	19 .....	X X X .....
8399997 Subtotal - Bonds - Part 3 .....					X X X .....	252,177 .....	250,000 .....	19 .....	X X X .....
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly) .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
8399999 Subtotal - Bonds .....					X X X .....	252,177 .....	250,000 .....	19 .....	X X X .....
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly) .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
9899999 Subtotal - Preferred and Common Stocks .....					X X X .....	X X X .....	X X X .....	X X X .....	X X X .....
9999999 Total - Bonds, Preferred and Common Stocks .....					X X X .....	252,177 .....	X X X .....	19 .....	X X X .....

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

## SCHEDULE D - PART 4

### Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1 CUSIP Identification	2 Description	3 F o r e i g n Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.									
<b>Bonds - U.S. Governments</b>																							
912828KT6	US Treasury Note		01/30/2015	Stephens Inc.	X X X	175,000	175,000	173,629	175,000						175,000						03/31/2016	1FE	
912828SJ0	US Treasury Note		01/30/2015	Stephens Inc.	X X X	85,000	85,000	84,920	84,942		(58)		(58)		85,000						02/28/2017	1FE	
0599999 Subtotal - Bonds - U.S. Governments					X X X	260,000	260,000	258,549	259,942		(58)		(58)		260,000						X X X	X X X	
8399997 Subtotal - Bonds - Part 4					X X X	260,000	260,000	258,549	259,942		(58)		(58)		260,000						X X X	X X X	
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	260,000	260,000	258,549	259,942		(58)		(58)		260,000						X X X	X X X	
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	260,000	X X X	258,549	259,942		(58)		(58)		260,000							X X X	X X X

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

**E06 Schedule DB Part A Section 1 ..... NONE**

**E07 Schedule DB Part B Section 1 ..... NONE**

**E08 Schedule DB Part D Section 1 ..... NONE**

**E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity ..... NONE**

**E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity ..... NONE**

**E10 Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE**

**E11 Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE**



## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total - Cash Equivalents .....							

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