9 5 7 2 1 2 0 1 8 2 0 1 0 0 1 0 0

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2018
OF THE CONDITION AND AFFAIRS OF THE

HUMANA HEALTH PLANS OF PUERTO RICO, INC.

NAIC Group Code 0119 (Current) 0119 (Prior) NAIC Company Code 95721 Employer's ID Number 66-0406896

Organized under the Laws of Puerto Rico, State of Domicile or Port of Entry PR

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

Incorporated/Organized 12/08/1983 Commenced Business 05/01/1986

Statutory Home Office 383 FD Roosevelt Avenue (Street and Number), San Juan, PR, US 00918-2131 (City or Town, State, Country and Zip Code)

Main Administrative Office 383 FD Roosevelt Avenue (Street and Number)
San Juan, PR, US 00918-2131 (City or Town, State, Country and Zip Code), 787-282-7900 (Area Code) (Telephone Number)

Mail Address 383 FD Roosevelt Avenue (Street and Number or P.O. Box), San Juan, PR, US 00918-2131 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 383 FD Roosevelt Avenue (Street and Number)
San Juan, PR, US 00918-2131 (City or Town, State, Country and Zip Code), 787-622-5553 (Area Code) (Telephone Number)

Internet Website Address www.humana.com

Statutory Statement Contact Wilma Rodriguez (Name), 787-622-5553 (Area Code) (Telephone Number)
wrodriguez@humana.com (E-mail Address), 866-423-7146 (FAX Number)

OFFICERS

President	Luis Angel Torres #	Secretary	Margarita Lizardi #
Chief Financial Officer	Brian Andrew Kane	Assistant Secretary	Joseph Christopher Ventura

OTHER

Alan James Bailey, VP & Treasurer	Douglas Allen Edwards, Vice President	Bruno Roger Piquin, Regional President
William Mark Preston, VP, Investments	Timothy Alan Wheatley, Segment President, Retail	

DIRECTORS OR TRUSTEES

Christopher Howal Hunter #	Jose Ivan Mercado	Luis Felipe Montaner, M.D.
Luis Angel Torres #	Timothy Alan Wheatley (Chairman)	

State of _____
County of _____ SS:

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

Luis Angel Torres Olivera#	Margarita Lizardi#	Alan James Bailey
President	Secretary	VP & Treasurer

Subscribed and sworn to before me this
_____ day of _____

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

ASSETS

		Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	65,771,840	0	65,771,840	66,134,421
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	0	0	0	0
	2.2 Common stocks	0	0	0	0
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens	0	0	0	0
	3.2 Other than first liens	0	0	0	0
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ 0 encumbrances)	0	0	0	0
	4.2 Properties held for the production of income (less $ 0 encumbrances)	0	0	0	0
	4.3 Properties held for sale (less $ 0 encumbrances)	0	0	0	0
5.	Cash ($ (885,857) , Schedule E - Part 1), cash equivalents ($ 34,689,978 , Schedule E - Part 2) and short-term investments ($ 0 , Schedule DA)	33,804,121	0	33,804,121	41,759,341
6.	Contract loans, (including $ 0 premium notes)	0	0	0	0
7.	Derivatives (Schedule DB)	0	0	0	0
8.	Other invested assets (Schedule BA)	0	0	0	0
9.	Receivables for securities	0	0	0	0
10.	Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11.	Aggregate write-ins for invested assets	0	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	99,575,961	0	99,575,961	107,893,762
13.	Title plants less $ 0 charged off (for Title insurers only)	0	0	0	0
14.	Investment income due and accrued	365,064	0	365,064	326,951
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	4,945,789	2,058,211	2,887,578	2,906,236
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ 0 earned but unbilled premiums)	0	0	0	0
	15.3 Accrued retrospective premiums ($ 4,263,623) and contracts subject to redetermination ($ 5,581,089)	9,844,712	0	9,844,712	2,300,058
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	0	0	0	0
	16.2 Funds held by or deposited with reinsured companies	0	0	0	0
	16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17.	Amounts receivable relating to uninsured plans	4,121,395	0	4,121,395	3,360,794
18.1	Current federal and foreign income tax recoverable and interest thereon	2,625,502	0	2,625,502	2,622,877
18.2	Net deferred tax asset	0	0	0	0
19.	Guaranty funds receivable or on deposit	0	0	0	0
20.	Electronic data processing equipment and software	1,293,402	1,293,402	0	0
21.	Furniture and equipment, including health care delivery assets ($ 0)	2,478,989	2,478,989	0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23.	Receivables from parent, subsidiaries and affiliates	0	0	0	0
24.	Health care ($ 5,491,125) and other amounts receivable	9,292,844	227,539	9,065,305	4,695,583
25.	Aggregate write-ins for other than invested assets	1,946,888	1,946,888	0	0
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	136,490,546	8,005,029	128,485,517	124,106,261
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28.	Total (Lines 26 and 27)	136,490,546	8,005,029	128,485,517	124,106,261
	DETAILS OF WRITE-INS				
1101.		0	0	0	0
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.	Prepaid Expenses	1,370,543	1,370,543	0	0
2502.	Prepaid Commissions	450,971	450,971	0	0
2503.	Deposits	125,374	125,374	0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,946,888	1,946,888	0	0

LIABILITIES, CAPITAL AND SURPLUS

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
1.	Claims unpaid (less $ 0 reinsurance ceded)	29,692,969	1,126,383	30,819,352	31,956,063
2.	Accrued medical incentive pool and bonus amounts	0	0	0	35,273
3.	Unpaid claims adjustment expenses	456,700	0	456,700	259,623
4.	Aggregate health policy reserves, including the liability of $ 0 for medical loss ratio rebate per the Public Health Service Act	38,375,897	0	38,375,897	36,979,445
5.	Aggregate life policy reserves	0	0	0	0
6.	Property/casualty unearned premium reserves	0	0	0	0
7.	Aggregate health claim reserves	100,000	0	100,000	72,000
8.	Premiums received in advance	102,582	0	102,582	394,978
9.	General expenses due or accrued	10,305,588	0	10,305,588	9,167,634
10.1	Current federal and foreign income tax payable and interest thereon (including $ 0 on realized capital gains (losses))	0	0	0	0
10.2	Net deferred tax liability	0	0	0	0
11.	Ceded reinsurance premiums payable	0	0	0	0
12.	Amounts withheld or retained for the account of others	883,481	0	883,481	570,449
13.	Remittances and items not allocated	120,317	0	120,317	120,594
14.	Borrowed money (including $ 0 current) and interest thereon $ 0 (including $ 0 current)	0	0	0	0
15.	Amounts due to parent, subsidiaries and affiliates	14,700,967	0	14,700,967	3,916,168
16.	Derivatives	0	0	0	0
17.	Payable for securities	0	0	0	0
18.	Payable for securities lending	0	0	0	0
19.	Funds held under reinsurance treaties (with $ 0 authorized reinsurers, $ 0 unauthorized reinsurers and $ 0 certified reinsurers)	0	0	0	0
20.	Reinsurance in unauthorized and certified ($ 0) companies	0	0	0	0
21.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22.	Liability for amounts held under uninsured plans	8,077,041	0	8,077,041	6,375,247
23.	Aggregate write-ins for other liabilities (including $ 17,887 current)	1,484,033	0	1,484,033	1,282,436
24.	Total liabilities (Lines 1 to 23)	104,299,575	1,126,383	105,425,958	91,129,910
25.	Aggregate write-ins for special surplus funds	XXX	XXX	0	6,137,673
26.	Common capital stock	XXX	XXX	142,525	142,525
27.	Preferred capital stock	XXX	XXX	0	0
28.	Gross paid in and contributed surplus	XXX	XXX	29,787,516	29,909,172
29.	Surplus notes	XXX	XXX	16,000,000	0
30.	Aggregate write-ins for other than special surplus funds	XXX	XXX	(600,000)	(600,000)
31.	Unassigned funds (surplus)	XXX	XXX	(22,270,482)	(2,613,019)
32.	Less treasury stock, at cost:				
	32.1 0 shares common (value included in Line 26 $ 0)	XXX	XXX	0	0
	32.2 0 shares preferred (value included in Line 27 $ 0)	XXX	XXX	0	0
33.	Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	23,059,559	32,976,351
34.	Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	128,485,517	124,106,261
	DETAILS OF WRITE-INS				
2301.	Unclaimed Property	879,165	0	879,165	677,568
2302.	Accrued Other	604,868	0	604,868	604,868
2303.					
2398.	Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399.	Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	1,484,033	0	1,484,033	1,282,436
2501.	Special Surplus - Projected HCRL Assessment for the Upcoming Year	XXX	XXX	0	6,137,673
2502.		XXX	XXX		
2503.		XXX	XXX		
2598.	Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	6,137,673
3001.	State Required Contingent Funds	XXX	XXX	(600,000)	(600,000)
3002.		XXX	XXX		
3003.		XXX	XXX		
3098.	Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099.	Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	(600,000)	(600,000)

STATEMENT OF REVENUE AND EXPENSES

		Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1.	Member Months	XXX	518,654	558,865
2.	Net premium income (including $ 0 non-health premium income)	XXX	324,575,784	304,173,239
3.	Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4.	Fee-for-service (net of $ 0 medical expenses)	XXX	0	0
5.	Risk revenue	XXX	0	0
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	0	0
8.	Total revenues (Lines 2 to 7)	XXX	324,575,784	304,173,239
	Hospital and Medical:			
9.	Hospital/medical benefits	9,040,691	221,987,021	202,073,717
10.	Other professional services	0	8,175,722	8,859,359
11.	Outside referrals	0	0	0
12.	Emergency room and out-of-area	1,704,554	9,147,915	9,688,476
13.	Prescription drugs	0	53,776,746	57,441,994
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts	0	0	41,478
16.	Subtotal (Lines 9 to 15)	10,745,245	293,087,404	278,105,024
	Less:			
17.	Net reinsurance recoveries	0	0	0
18.	Total hospital and medical (Lines 16 minus 17)	10,745,245	293,087,404	278,105,024
19.	Non-health claims (net)	0	0	0
20.	Claims adjustment expenses, including $ 13,121,167 cost containment expenses	0	13,536,297	13,022,152
21.	General administrative expenses	0	45,657,911	35,778,523
22.	Increase in reserves for life and accident and health contracts (including $ 0 increase in reserves for life only)	0	3,374,000	(3,800,000)
23.	Total underwriting deductions (Lines 18 through 22)	10,745,245	355,655,612	323,105,699
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(31,079,828)	(18,932,460)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	1,629,381	1,287,277
26.	Net realized capital gains (losses) less capital gains tax of $ 0	0	126,832	8,976
27.	Net investment gains (losses) (Lines 25 plus 26)	0	1,756,213	1,296,253
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered $ 0) (amount charged off $ 0)]	0	0	0
29.	Aggregate write-ins for other income or expenses	0	5,727,599	4,731,580
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	(23,596,016)	(12,904,627)
31.	Federal and foreign income taxes incurred	XXX	0	18,674
32.	Net income (loss) (Lines 30 minus 31)	XXX	(23,596,016)	(12,923,301)
	DETAILS OF WRITE-INS			
0601.		XXX		
0602.		XXX		
0603		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.		XXX		
0702.		XXX		
0703		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901.	Miscellaneous Income	0	5,724,099	4,734,224
2902.	Gain/(Loss) on Disposal	0	3,500	(2,644)
2903				
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	5,727,599	4,731,580

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	32,976,351	42,797,496
34.	Net income or (loss) from Line 32	(23,596,016)	(12,923,301)
35.	Change in valuation basis of aggregate policy and claim reserves	0	0
36.	Change in net unrealized capital gains (losses) less capital gains tax of $ 0	(174,687)	(25,389)
37.	Change in net unrealized foreign exchange capital gain or (loss)	0	0
38.	Change in net deferred income tax	0	0
39.	Change in nonadmitted assets	(2,024,433)	2,752,345
40	Change in unauthorized and certified reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	16,000,000	0
43.	Cumulative effect of changes in accounting principles	0	0
44.	Capital Changes:		
	44.1 Paid in	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0
	44.3 Transferred to surplus	0	0
45.	Surplus adjustments:		
	45.1 Paid in	(121,656)	375,200
	45.2 Transferred to capital (Stock Dividend)	0	0
	45.3 Transferred from capital	0	0
46.	Dividends to stockholders	0	0
47.	Aggregate write-ins for gains or (losses) in surplus	0	0
48.	Net change in capital and surplus (Lines 34 to 47)	(9,916,792)	(9,821,145)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	23,059,559	32,976,351
	DETAILS OF WRITE-INS		
4701.		0	0
4702.			
4703.			
4798.	Summary of remaining write-ins for Line 47 from overflow page	0	0
4799.	Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	0

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	317,794,804	319,492,827
2.	Net investment income	1,829,483	1,433,564
3.	Miscellaneous income	0	0
4.	Total (Lines 1 through 3)	319,624,287	320,926,391
5.	Benefit and loss related payments	298,937,828	277,074,299
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7.	Commissions, expenses paid and aggregate write-ins for deductions	50,434,217	21,802,774
8.	Dividends paid to policyholders	0	0
9.	Federal and foreign income taxes paid (recovered) net of $ 0 tax on capital gains (losses)	2,625	1,125
10.	Total (Lines 5 through 9)	349,374,670	298,878,198
11.	Net cash from operations (Line 4 minus Line 10)	(29,750,383)	22,048,193
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	29,625,904	17,544,755
	12.2 Stocks	0	0
	12.3 Mortgage loans	0	0
	12.4 Real estate	0	0
	12.5 Other invested assets	0	0
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
	12.7 Miscellaneous proceeds	0	29,945
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	29,625,904	17,574,700
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	29,549,394	32,547,387
	13.2 Stocks	0	0
	13.3 Mortgage loans	0	0
	13.4 Real estate	0	0
	13.5 Other invested assets	0	0
	13.6 Miscellaneous applications	0	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	29,549,394	32,547,387
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)	76,510	(14,972,687)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	16,000,000	0
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	0	0
	16.6 Other cash provided (applied)	5,718,653	2,110,270
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	21,718,653	2,110,270
	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)	(7,955,220)	9,185,776
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	41,759,341	32,573,565
	19.2 End of year (Line 18 plus Line 19.1)	33,804,121	41,759,341

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

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	324,575,784	8,715,691	0	0	0	22,287,041	293,573,052	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 $ 0 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)	324,575,784	8,715,691	0	0	0	22,287,041	293,573,052	0	0	0
8. Hospital/medical benefits	221,987,021	3,484,577	0	0	0	13,110,704	204,653,446	738,294	0	XXX
9. Other professional services	8,175,722	0	0	0	0	0	8,175,722	0	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	9,147,915	1,281,994	0	0	0	0	7,865,921	0	0	XXX
12. Prescription drugs	53,776,746	2,455,682	0	0	0	5,160,982	46,397,912	(237,830)	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	0	0	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14)	293,087,404	7,222,253	0	0	0	18,271,686	267,093,001	500,464	0	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	293,087,404	7,222,253	0	0	0	18,271,686	267,093,001	500,464	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including $ 0 cost containment expenses	13,536,297	207,533	0	0	0	460,345	12,868,419	0	0	0
20. General administrative expenses	45,657,911	386,512	0	0	0	2,335,608	39,452,626	195,600	3,287,565	0
21. Increase in reserves for accident and health contracts	3,374,000	0	0	0	0	0	3,374,000	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)	355,655,612	7,816,298	0	0	0	21,067,639	322,788,046	696,064	3,287,565	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	(31,079,828)	899,393	0	0	0	1,219,402	(29,214,994)	(696,064)	(3,287,565)	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1.	Comprehensive (hospital and medical)	8,715,691	0	0	8,715,691
2.	Medicare Supplement	0	0	0	0
3.	Dental only	0	0	0	0
4.	Vision only	0	0	0	0
5.	Federal Employees Health Benefits Plan	22,287,041	0	0	22,287,041
6.	Title XVIII - Medicare	293,573,053	0	0	293,573,053
7.	Title XIX - Medicaid	0	0	0	0
8.	Other health	0	0	0	0
9.	Health subtotal (Lines 1 through 8)	324,575,785	0	0	324,575,785
10.	Life	0	0	0	0
11.	Property/casualty	0	0	0	0
12.	Totals (Lines 9 to 11)	324,575,785	0	0	324,575,785

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	295,420,552	8,198,374	0	0	0	17,166,996	270,304,718	(249,536)	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	295,420,552	8,198,374	0	0	0	17,166,996	270,304,718	(249,536)	0	0
2. Paid medical incentive pools and bonuses	35,273	0	0	0	0	0	35,273	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	30,819,352	1,021,059	0	0	0	1,586,073	27,462,220	750,000	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	30,819,352	1,021,059	0	0	0	1,586,073	27,462,220	750,000	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	100,000	100,000	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	0	0	0	0	0	0	0	0	0	0
4.4 Net	100,000	100,000	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0	0	0	0	0	0	0	0	0	0
6. Net healthcare receivables (a)	1,224,437	1,038,906	0	0	0	(982,490)	1,168,021	0	0	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	31,956,063	986,274	0	0	0	1,463,873	29,505,916	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	31,956,063	986,274	0	0	0	1,463,873	29,505,916	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	72,000	72,000	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	72,000	72,000	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	35,273	0	0	0	0	0	35,273	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:										
12.1 Direct	293,087,404	7,222,253	0	0	0	18,271,686	267,093,001	500,464	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	293,087,404	7,222,253	0	0	0	18,271,686	267,093,001	500,464	0	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0

(a) Excludes $ 108,004 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	4,407,563	310,297	0	0	0	324,756	3,772,510	0	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	4,407,563	310,297	0	0	0	324,756	3,772,510	0	0	0
2. Incurred but Unreported:										
2.1 Direct	23,150,294	710,762	0	0	0	1,261,317	20,428,215	750,000	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4 Net	23,150,294	710,762	0	0	0	1,261,317	20,428,215	750,000	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	3,261,495	0	0	0	0	0	3,261,495	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	3,261,495	0	0	0	0	0	3,261,495	0	0	0
4. TOTALS:										
4.1 Direct	30,819,352	1,021,059	0	0	0	1,586,073	27,462,220	750,000	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	30,819,352	1,021,059	0	0	0	1,586,073	27,462,220	750,000	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	968,748	7,229,626	2,667	1,118,392	971,415	1,058,274
2. Medicare Supplement	0	0	0	0	0	0
3. Dental Only	0	0	0	0	0	0
4. Vision Only	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	1,397,984	15,769,012	6,190	1,579,883	1,404,174	1,463,873
6. Title XVIII - Medicare	25,576,088	244,728,630	706,063	26,756,157	26,282,151	29,505,916
7 Title XIX - Medicaid	(249,536)	0	750,000	0	500,464	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	27,693,284	267,727,268	1,464,920	29,454,432	29,158,204	32,028,063
10. Healthcare receivables (a)	0	5,610,661	0	0	0	4,386,224
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	0	35,273	0	0	0	35,273
13. Totals (Lines 9 - 10 + 11 + 12)	27,693,284	262,151,880	1,464,920	29,454,432	29,158,204	27,677,112

(a) Excludes $ 108,004 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	19,810	19,827	19,795	19,786	19,781
2. 2014	8,862	9,857	9,863	9,854	9,852
3. 2015	XXX	3,932	4,586	4,568	4,495
4. 2016	XXX	XXX	10,072	10,782	10,811
5. 2017	XXX	XXX	XXX	6,371	7,390
6. 2018	XXX	XXX	XXX	XXX	7,230

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	19,822	19,827	19,795	19,786	19,781
2. 2014	9,593	9,869	9,863	9,854	9,852
3. 2015	XXX	4,822	4,589	4,568	4,495
4. 2016	XXX	XXX	11,264	10,784	10,811
5. 2017	XXX	XXX	XXX	7,428	7,393
6. 2018	XXX	XXX	XXX	XXX	8,348

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	12,810	9,852	94	1.0	9,946	77.6	0	0	9,946	77.6
2. 2015	11,075	4,495	43	1.0	4,538	41.0	0	0	4,538	41.0
3. 2016	10,680	10,811	103	1.0	10,914	102.2	0	0	10,914	102.2
4. 2017	8,845	7,390	70	0.9	7,460	84.3	3	0	7,463	84.4
5. 2018	8,716	7,230	69	1.0	7,299	83.7	1,118	17	8,434	96.8

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	872	872	872	872	872
2. 2014	10,269	11,305	11,305	11,305	11,305
3. 2015	XXX	18,082	19,487	19,487	19,487
4. 2016	XXX	XXX	15,782	16,909	16,909
5. 2017	XXX	XXX	XXX	14,391	15,789
6. 2018	XXX	XXX	XXX	XXX	15,769

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	874	872	872	872	872
2. 2014	11,673	11,336	11,305	11,305	11,305
3. 2015	XXX	19,394	19,491	19,487	19,487
4. 2016	XXX	XXX	17,029	16,914	16,909
5. 2017	XXX	XXX	XXX	15,850	15,795
6. 2018	XXX	XXX	XXX	XXX	17,349

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	12,535	11,305	108	1.0	11,413	91.0	0	0	11,413	91.0
2. 2015	18,627	19,487	185	0.9	19,672	105.6	0	0	19,672	105.6
3. 2016	19,336	16,909	161	1.0	17,070	88.3	0	0	17,070	88.3
4. 2017	18,812	15,789	150	1.0	15,939	84.7	6	0	15,945	84.8
5. 2018	22,287	15,769	150	1.0	15,919	71.4	1,580	0	17,499	78.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	29,875	29,839	29,773	29,610	29,613
2. 2014	306,082	342,887	343,310	342,703	342,854
3. 2015	XXX	321,391	357,375	358,219	358,493
4. 2016	XXX	XXX	241,028	261,642	261,827
5. 2017	XXX	XXX	XXX	233,833	258,797
6. 2018	XXX	XXX	XXX	XXX	244,764

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	30,709	29,880	29,773	29,610	29,613
2. 2014	354,936	343,555	343,430	342,703	342,854
3. 2015	XXX	361,425	357,967	358,317	358,493
4. 2016	XXX	XXX	267,775	262,384	261,948
5. 2017	XXX	XXX	XXX	262,535	259,381
6. 2018	XXX	XXX	XXX	XXX	271,520

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	354,761	342,854	3,261	1.0	346,115	97.6	0	0	346,115	97.6
2. 2015	390,752	358,493	3,409	1.0	361,902	92.6	0	0	361,902	92.6
3. 2016	282,210	261,827	2,490	1.0	264,317	93.7	122	1	264,440	93.7
4. 2017	276,516	258,797	2,461	1.0	261,258	94.5	584	5	261,847	94.7
5. 2018	293,573	244,764	2,328	1.0	247,092	84.2	26,756	238	274,086	93.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

($000 Omitted)

Section A - Paid Health Claims - Title XIX

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	370,750	378,519	378,519	378,519	378,519
2. 2014	(12,755)	(12,755)	(11,862)	(11,837)	(11,837)
3. 2015	XXX	0	0	0	0
4. 2016	XXX	XXX	0	0	0
5. 2017	XXX	XXX	XXX	0	(250)
6. 2018	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Title XIX

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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	370,761	378,519	378,519	378,519	378,519
2. 2014	(4,986)	(12,400)	(11,712)	(11,837)	(11,837)
3. 2015	XXX	0	0	0	0
4. 2016	XXX	XXX	0	0	0
5. 2017	XXX	XXX	XXX	0	500
6. 2018	XXX	XXX	XXX	XXX	0

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	11,489	(11,837)	0	0.0	(11,837)	(103.0)	0	0	(11,837)	(103.0)
2. 2015	(3,055)	0	0	0.0	0	0.0	0	0	0	0.0
3. 2016	(458)	0	0	0.0	0	0.0	0	0	0	0.0
4. 2017	0	(250)	0	0.0	(250)	0.0	750	196	696	0.0
5. 2018	0	0	0	0.0	0	0.0	0	0	0	0.0

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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	421,307	429,057	428,959	428,787	428,785
2. 2014	312,458	351,294	352,616	352,025	352,174
3. 2015	XXX	343,405	381,448	382,274	382,475
4. 2016	XXX	XXX	266,882	289,333	289,547
5. 2017	XXX	XXX	XXX	254,595	281,726
6. 2018	XXX	XXX	XXX	XXX	267,763

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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior	422,166	429,098	428,959	428,787	428,785
2. 2014	371,216	352,360	352,886	352,025	352,174
3. 2015	XXX	385,641	382,047	382,372	382,475
4. 2016	XXX	XXX	296,068	290,082	289,668
5. 2017	XXX	XXX	XXX	285,813	283,069
6. 2018	XXX	XXX	XXX	XXX	297,217

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	391,595	352,174	3,463	1.0	355,637	90.8	0	0	355,637	90.8
2. 2015	417,399	382,475	3,637	1.0	386,112	92.5	0	0	386,112	92.5
3. 2016	311,768	289,547	2,754	1.0	292,301	93.8	122	1	292,424	93.8
4. 2017	304,173	281,726	2,681	1.0	284,407	93.5	1,343	201	285,951	94.0
5. 2018	324,576	267,763	2,547	1.0	270,310	83.3	29,454	255	300,019	92.4

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0	0	0	0	0	0	0	0	0
2. Additional policy reserves (a)	3,374,000	0	0	0	0	0	3,374,000	0	0
3. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
4. Reserve for rate credits or experience rating refunds (including $ 0) for investment income	1,506,009	1,295,148	0	0	0	0	210,861	0	0
5. Aggregate write-ins for other policy reserves	33,495,888	0	0	0	0	0	33,495,888	0	0
6. Totals (gross)	38,375,897	1,295,148	0	0	0	0	37,080,749	0	0
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0
8. Totals (Net)(Page 3, Line 4)	38,375,897	1,295,148	0	0	0	0	37,080,749	0	0
9. Present value of amounts not yet due on claims	0	0	0	0	0	0	0	0	0
10. Reserve for future contingent benefits	100,000	100,000	0	0	0	0	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	100,000	100,000	0	0	0	0	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0
14. Totals (Net)(Page 3, Line 7)	100,000	100,000	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501. Risk Adjustment Premium Payable	33,495,888	0	0	0	0	0	33,495,888	0	0
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	33,495,888	0	0	0	0	0	33,495,888	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ 3,374,000 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($ 0 for occupancy of own building)	164,867	3,668	468,940	0	637,475
2. Salary, wages and other benefits	6,618,126	210,414	20,208,587	15	27,037,142
3. Commissions (less $ 0 ceded plus $ 0 assumed)	0	0	1,373,554	0	1,373,554
4. Legal fees and expenses	109,113	2,422	680,952	0	792,487
5. Certifications and accreditation fees	423	114	14,688	0	15,225
6. Auditing, actuarial and other consulting services	164,864	5,737	422,680	0	593,281
7. Traveling expenses	169,693	5,395	446,417	0	621,505
8. Marketing and advertising	750,045	17,344	2,118,364	0	2,885,753
9. Postage, express and telephone	568,663	15,069	1,539,934	0	2,123,666
10. Printing and office supplies	144,751	4,871	374,803	0	524,425
11. Occupancy, depreciation and amortization	84,615	1,880	829,974	0	916,469
12. Equipment	116,539	2,591	331,563	0	450,693
13. Cost or depreciation of EDP equipment and software	404,424	9,159	580,647	0	994,230
14. Outsourced services including EDP, claims, and other services	3,025,341	87,096	6,957,852	0	10,070,289
15. Boards, bureaus and association fees	32,697	2,361	56,518	0	91,576
16. Insurance, except on real estate	57,284	1,476	158,464	0	217,224
17. Collection and bank service charges	125,971	3,339	346,314	0	475,624
18. Group service and administration fees	274,977	35,329	128,801	0	439,107
19. Reimbursements by uninsured plans	0	0	0	0	0
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	178,165	3,962	506,940	0	689,067
22. Real estate taxes	0	0	0	0	0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	459	0	459
23.2 State premium taxes	0	0	(27,302)	0	(27,302)
23.3 Regulatory authority licenses and fees	0	0	256,774	0	256,774
23.4 Payroll taxes	0	0	1,143,259	0	1,143,259
23.5 Other (excluding federal income and real estate taxes)	0	0	6,232,667	0	6,232,667
24. Investment expenses not included elsewhere	(31,145)	(693)	(256,373)	0	(288,211)
25. Aggregate write-ins for expenses	161,754	3,596	762,435	0	927,785
26. Total expenses incurred (Lines 1 to 25)	13,121,167	415,130	45,657,911	15	(a) 59,194,223
27. Less expenses unpaid December 31, current year	0	456,700	10,305,588	0	10,762,288
28. Add expenses unpaid December 31, prior year	0	259,623	9,167,634	0	9,427,257
29. Amounts receivable relating to uninsured plans, prior year	0	0	3,360,794	0	3,360,794
30. Amounts receivable relating to uninsured plans, current year	0	0	4,121,395	0	4,121,395
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	13,121,167	218,053	45,280,558	15	58,619,793
DETAILS OF WRITE-INS					
2501. Miscellaneous Administrative Expenses	161,754	3,596	762,435	0	927,785
2502. Expense Allowance on Reinsurance Ceded	0	0	0	0	0
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	161,754	3,596	762,435	0	927,785

(a) Includes management fees of $ (15,377,122) to affiliates and $ 0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 6,356	22,326
1.1	Bonds exempt from U.S. tax	(a) 0	0
1.2	Other bonds (unaffiliated)	(a) 1,539,400	1,561,543
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5	Contract Loans	0	0
6	Cash, cash equivalents and short-term investments	(e) 30,664	30,664
7	Derivative instruments	(f) 0	0
8.	Other invested assets	0	0
9.	Aggregate write-ins for investment income	14,863	14,863
10.	Total gross investment income	1,591,283	1,629,396
11.	Investment expenses		(g) 15
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h) 0
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		15
17.	Net investment income (Line 10 minus Line 16)		1,629,381
	DETAILS OF WRITE-INS		
0901.	Miscellaneous Investment Income	14,863	14,863
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	14,863	14,863
1501.			0
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

(a) Includes $ 29,961 accrual of discount less $ 268,176 amortization of premium and less $ 77,799 paid for accrued interest on purchases.

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

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

(d) Includes $ 0 for company's occupancy of its own buildings; and excludes $ 0 interest on encumbrances.

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

(f) Includes $ 0 accrual of discount less $ 0 amortization of premium.

(g) Includes $. 0 investment expenses and $ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ 0 interest on surplus notes and $ 0 interest on capital notes.

(i) Includes $ 0 depreciation on real estate and $ 0 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	(3,238)	0	(3,238)	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	130,070	0	130,070	(174,688)	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	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	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	126,832	0	126,832	(174,688)	0
	DETAILS OF WRITE-INS					
0901.		0	0	0	0	0
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)	0	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	2,058,211	1,699,171	(359,040)
	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	1,293,402	935,955	(357,447)
21.	Furniture and equipment, including health care delivery assets	2,478,989	1,726,882	(752,107)
22.	Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23.	Receivable from parent, subsidiaries and affiliates	0	0	0
24.	Health care and other amounts receivable	227,539	80,829	(146,710)
25.	Aggregate write-ins for other than invested assets	1,946,888	1,537,759	(409,129)
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	8,005,029	5,980,596	(2,024,433)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28.	Total (Lines 26 and 27)	8,005,029	5,980,596	(2,024,433)
	DETAILS OF WRITE-INS			
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.	Prepaid Expenses	1,370,543	1,072,635	(297,908)
2502.	Prepaid Commissions	450,971	344,218	(106,753)
2503.	Deposits	125,374	120,906	(4,468)
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,946,888	1,537,759	(409,129)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	47,094	43,872	43,143	42,654	43,155	518,654
2. Provider Service Organizations	0	0	0	0	0	0
3. Preferred Provider Organizations	0	0	0	0	0	0
4. Point of Service	0	0	0	0	0	0
5. Indemnity Only	0	0	0	0	0	0
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	47,094	43,872	43,143	42,654	43,155	518,654
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of the Company are presented on the basis of accounting practices prescribed or permitted by the Insurance Commissioner of Puerto Rico.

The Insurance Commissioner of Puerto Rico (the Commissioner) recognizes only statutory accounting practices prescribed or permitted by the Commonwealth of Puerto Rico for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Puerto Rico Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the Commonwealth of Puerto Rico. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. No deviations from the Codification currently exist.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Commonwealth of Puerto Rico is shown below:

	SSAP #	F/S Page	F/S Line #	2018	2017
Net Loss					
1. Humana Health Plans of Puerto Rico, Inc. Puerto Rico basis	xxx	xxx	xxx	$ (23,596,016)	$ (12,923,301)
2. State Prescribed Practices that is an increase/(decrease) NAIC SAP				-	-
3. State Permitted Practices that is an increase/(decrease) NAIC SAP				-	-
4. NAIC SAP	xxx	xxx	xxx	$ (23,596,016)	$ (12,923,301)
Surplus					
5. Humana Health Plans of Puerto Rico, Inc. Puerto Rico basis	xxx	xxx	xxx	$ 23,059,559	$ 32,976,351
6. State Prescribed Practices that is an increase/(decrease) NAIC SAP				-	-
7. State Permitted Practices that is an increase/(decrease) NAIC SAP				-	-
8. NAIC SAP	xxx	xxx	xxx	$ 23,059,559	$ 32,976,351

On February 16, 2017, under the terms of the Agreement and Plan of Merger, or Merger Agreement, with Aetna Inc., and certain wholly owned subsidiaries of Aetna Inc., which Humana collectively refers to as Aetna, Humana received a breakup fee of $1 billion from Aetna.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates are based on knowledge of current events and anticipated future events, and accordingly, actual results could differ from those estimates.

C. Accounting Policy

Premiums are reported as earned in the period in which members are entitled to receive services, and are net of retroactive membership adjustments. Retroactive membership adjustments result from enrollment changes not yet processed, or not yet reported by an employer group or the government. Premiums received prior to such period are recorded as advance premiums.

Benefits incurred and loss adjustment expenses include claim payments, capitation payments, pharmacy costs net of rebates, allocations of certain centralized expenses, legal and administrative costs to settle claims, and various other costs incurred to provide health insurance coverage to members, as well as estimates of future payments to hospitals and others for medical care provided prior to the date of the statements of admitted assets, liabilities and surplus. Capitation payments represent monthly contractual fees disbursed to participating primary care physicians, and other providers who are responsible for providing medical care to members. Pharmacy costs represent payments for members' prescription drug benefits, net of rebates from drug manufacturers.

In addition, the Company uses the following accounting policies:

(1) Short-term investments include investments mainly in U.S. Government obligations with a maturity of twelve months or less from the date of purchase. Short-term investments are recorded at amortized cost. The carrying value of short-term investments approximates fair value due to the short-term maturities of the investments.

(2-4) Investments are valued and classified in accordance with methods prescribed by the NAIC. Bonds with an NAIC rating of 1 or 2 are carried at amortized cost, with all other bonds being recorded at the lower of amortized cost or fair value; redeemable preferred stocks are carried at amortized cost; and non-redeemable preferred stocks are carried at fair value. Common stocks are carried at fair value.

The Company regularly evaluates investment securities for impairment. For all securities other than loan-backed and structured securities, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value, the near term prospects for recovery to carrying value, and the Company's intent and ability to hold the investment until maturity or market recovery is realized. If and when a determination is made that a decline in fair value below the cost

NOTES TO THE FINANCIAL STATEMENTS

basis is other-than-temporary, the related investment is written down to its estimated fair value through earnings.

Amortization of bond premium or discount is computed using the scientific interest method.

Income from investments is recorded on an accrual basis. For the purpose of determining realized gains and losses, the cost of securities sold is based upon specific identification. Investment income due and accrued over 90 days past due is nonadmitted.

(5) Not Applicable.

(6) For loan backed and structured securities where the securities fair value is less than the amortized cost, the Company considers several factors to determine if the security's impairment is other-than-temporary. If the Company has the intent to sell the security or if the Company does not have the intent and ability to retain the security until recovery of its fair value, the related investment is written down to its estimated fair value through earnings. If, however, the Company has the intent and ability to retain the security until recovery of its fair value, the Company considers factors affecting the investee, factors affecting the industry the investee operates within, and general debt and equity market trends. The Company also considers the length of time an investment's fair value has been below carrying value and the near term prospects for recovery to carrying value. If the determination is made, based on these factors, that the Company does expect to recover the entire amortized cost of the security, then an other-than-temporary impairment has not occurred. If, however, the determination is made that the Company does not expect to recover the entire amortized cost of the security based on the factors noted above, the Company recognizes a realized loss in earnings for the non-interest related decline. No loss is recognized for the interest impairment.

(7) Not Applicable.

(8) Not Applicable.

(9) Not Applicable.

(10-11) The estimates of future medical benefit payments are developed using actuarial methods and assumptions based upon claim payment patterns, medical cost inflation, historical development such as claim inventory levels and claim receipt patterns, and other relevant factors. Corresponding administrative costs to process outstanding claims are estimated and accrued. Estimates of future payments relating to services incurred in the current and prior periods are continually reviewed by management and adjusted as necessary.

The Company assesses the profitability of its contracts for providing health insurance coverage to its members when current operating results or forecasts indicate probable future losses. The Company records a premium deficiency liability in current operations to the extent that the sum of expected future medical costs, claim adjustment expenses and maintenance costs exceed related future premiums. Investment income is not contemplated in the calculation of the premium deficiency liability.

Management believes the Company's benefits payable and loss adjustment expense are adequate to cover future claims and loss adjustment expense payments required, however, such estimates are based on knowledge of current events and anticipated future events and, therefore, the actual liability could differ from the amounts provided.

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

Equipment is stated at cost less accumulated depreciation. Depreciation expense is computed using the straight-line method over estimated useful lives generally ranging from three to five years. Improvements to leased facilities are depreciated over the shorter of the remaining lease term or the anticipated life of the improvement.

The Company recognizes an asset or liability for the deferred tax consequences of temporary differences between the tax bases of assets or liabilities and their reported amounts in the financial statements. The temporary differences will result in taxable or deductible amounts in future years when the reported amounts of the assets or liabilities are recovered or settled.

(13) The Company estimates anticipated Pharmacy Rebate Receivables using the analysis of historical recovery patterns.

(14) Not Applicable.

(15) Not Applicable.

D. Going Concern

Effective December 31, 2016, the Company adopted revisions to SSAP No. 1, *Accounting Policies, Risks & Uncertainties, and Other Disclosures* (SSAP No. 1). The revisions require management of the Company to evaluate whether there is substantial doubt about the Company's ability to continue as a going concern and provide certain disclosures if substantial doubt exists. Management of the Company has completed its evaluation of the Company and determined that there is no substantial doubt about its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

Not Applicable.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

NOTES TO THE FINANCIAL STATEMENTS

Not Applicable.

B. Statutory Merger

Not Applicable.

C. Assumption Reinsurance

Not Applicable.

D. Impairment Loss

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

Not Applicable.

B. Debt Restructuring

Not Applicable.

C. Reverse Mortgages

Not Applicable.

D. Loan-Backed Securities

(1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from industry market sources.

(2) Not Applicable.

(3) Not Applicable.

(4) The Company does not have any investments in an other-than-temporary impairment position at December 31, 2018.

Gross unrealized losses and related fair value of temporarily impaired securities that have been in a continuous unrealized loss position were as follows at December 31, 2018:

(a) The aggregate amount of unrealized losses:

1.	Less than Twelve Months	$	(124,410)
2.	Twelve Months or Longer	$	(455,564)

(b) The aggregate related fair value of securities with unrealized losses:

1.	Less than Twelve Months	$	9,171,754
2.	Twelve Months or Longer	$	13,335,660

(5) Unrealized losses are primarily due to increases in market interest rates and tighter liquidity conditions in the current markets than when the securities were purchased. All issuers of securities trading at an unrealized loss remain current on all contractual payments and the Company believes it is probable that all amounts due according to the contractual terms of the debt securities are collectible. After taking into account these and other factors, including the severity of the decline and the Company's ability and intent to hold these securities until recovery or maturity, the Company determined the unrealized losses on these investment securities were temporary and, as such, no impairment was required.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The Company has no repurchase agreements or securities lending transactions.

(2) The Company has not pledged any of its assets as collateral.

(3-7) Not Applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable.

J. Real Estate

Not Applicable.

K. Low-Income Housing Tax Credits (LIHTC)

Not Applicable.

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

	1	2	3	4	5	6	7
Restricted Asset Category	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmited Restricted	Total Current Year Admitted Restricted (1 minus 4)	Percentage Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Percentage 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 to sale – excluding FHLB capital stock	-	-	-	-	-	-	-
i. FHLB capital stock	-	-	-	-	-	-	-
j. On deposit with states	6,046,095	21,919,041	(15,872,946)	-	6,046,095	4.43%	4.71%
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	$ 6,046,095	$ 21,919,041	$ (15,872,946)	-	$ 6,046,095	4.43%	4.71%

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable.

(3) Detail of Other Restricted Assets Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Not Applicable.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Not Applicable.

M. Working Capital Finance Investments

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

N. Offsetting and Netting of Assets and Liabilities

Not Applicable.

O. Structured Notes

Not Applicable.

P. 5GI* Securities

Not Applicable.

Q. Short Sales

Not Applicable.

R. Prepayment Penalty and Acceleration Fees

		General Account
(1)	Number of CUSIPS	4
(2)	Aggregate Amount of Investment Income	$ -

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10.0 percent of its admitted assets.

B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

A. Due and accrued income was excluded from surplus on the following basis:

All investment income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.

B. The total amount excluded was $0.

8. Derivative Instruments

Not Applicable.

9. Income Taxes

A. Deferred Tax Assets/(Liabilities)

(1) The components of the net admitted deferred tax asset/(liability) by tax character were as follows:

		December 31, 2018		
		Ordinary	Capital	Total
a.	Gross deferred tax assets	$ 41,067,453	$ -	$ 41,067,453
b.	Statutory valuation allowance adjustments	(41,067,453)	-	(41,067,453)
c.	Adjusted gross deferred tax assets	-	-	-
d.	Deferred tax assets nonadmitted	-	-	-
e.	Net admitted deferred tax assets	-	-	-
f.	Deferred tax liabilities	-	-	-
g.	Net admitted deferred tax asset/(liability)	$ -	$ -	$ -

		December 31, 2017		
		Ordinary	Capital	Total
a.	Gross deferred tax assets	$ 32,432,585	$ -	$ 32,432,585
b.	Statutory valuation allowance adjustments	(32,432,585)	-	(32,432,585)
c.	Adjusted gross deferred tax assets	-	-	-
d.	Deferred tax assets nonadmitted	-	-	-
e.	Net admitted deferred tax assets	-	-	-
f.	Deferred tax liabilities	-	-	-
g.	Net admitted deferred tax asset/(liability)	$ -	$ -	$ -

		Change		
		Ordinary	Capital	Total
a.	Gross deferred tax assets	$ 8,634,868	$ -	$ 8,634,868
b.	Statutory valuation allowance adjustments	(8,634,868)	-	(8,634,868)
c.	Adjusted gross deferred tax assets	-	-	-
d.	Deferred tax assets nonadmitted	-	-	-
e.	Net admitted deferred tax assets	-	-	-
f.	Deferred tax liabilities	-	-	-
g.	Net admitted deferred tax asset/(liability)	$ -	$ -	$ -

NOTES TO THE FINANCIAL STATEMENTS

(2) The amount of admitted adjusted gross deferred tax assets under SSAP No. 101 were as follows:

	December 31, 2018		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	-
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	$ -	$ -	$ -

	December 31, 2017		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	-
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	$ -	$ -	$ -

	Change		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$ -	$ -	$ -
b. Adjusted gross deferred tax assets expected to be realized after application of the threshold limitation	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the Balance Sheet date	XXX	XXX	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	-
c. Adjusted gross deferred tax assets offset by gross deferred tax liabilities	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total	$ -	$ -	$ -

(3) The ratio percentage used to determine recovery period and threshold limitation amount was as follows:

	December 31, 2018	December 31, 2017
a. Ratio percentage used to determine recovery period and threshold limitation amount	249%	391%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2 b.2 above	23,059,559	32,976,351

(4) The impact of tax planning strategies on adjusted gross DTAs and net admitted DTAs was as follows:

	December 31, 2018	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage		
1. Adjusted gross DTAs amount from note 9A1(c)	$ -	$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	$ -	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%

NOTES TO THE FINANCIAL STATEMENTS

	December 31, 2017	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage		
1. Adjusted gross DTAs amount from note 9A1(c)	$ -	$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	$ -	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%

	Change	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage		
1. Adjusted gross DTAs amount from note 9A1(c)	$ -	$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	$ -	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%

b. Does the Company's tax planning strategies include the use of reinsurance? Yes [ ] No [X]

B. There are no temporary differences for which a DTL has not been established.

C. Current and deferred income taxes

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

	December 31, 2018	December 31, 2017	Change
a. Federal	$ -	$ -	$ -
b. Foreign	-	18,675	(18,675)
c. Subtotal	-	18,675	(18,675)
d. Federal income tax on net capital gains	-	-	-
e. Utilization of capital loss carryforwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	$ -	$ 18,675	$ (18,675)

(2–3) The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

NOTES TO THE FINANCIAL STATEMENTS

DTAs resulting from Book/Tax Differences in:

		December 31, 2018	December 31, 2017	Change
a.	Ordinary			
	1. Discounting of unpaid losses	$ 1,265,250	$ -	$ 1,265,250
	2. Unearned premium reserve	-	-	-
	3. Policyholder reserves	-	-	-
	4. Investments and other	-	-	-
	5. Deferred acquisition costs	-	-	-
	6. Policyholder dividends accrual	-	-	-
	7. Fixed assets	147,716	127,983	19,733
	8. Compensation and benefit accruals	-	-	-
	9. Pension accruals	-	-	-
	10. Receivables – nonadmitted	3,001,886	2,332,433	669,453
	11. Net operating loss carry-forward	35,207,890	29,053,213	6,154,677
	12. Tax credit carry-forward	-	-	-
	13. Other	86,452	100,208	(13,756)
	14. Bad debts	-	92,342	(122,753)
	15. Accrued litigation	-	-	-
	16. CMS Rx reserve	-	-	-
	17. CMS risk corridor - ACA	-	-	-
	18. Medicare risk adjustment data	-	-	-
	19. Miscellaneous reserves	1,358,260	726,407	631,852
	20. Accrued lease	-	-	-
	21. Section 197 intangible	-	-	-
	22. Reinsurance fee	-	-	-
	23. Provider contracts	-	-	-
	99. Subtotal	41,067,453	32,432,585	8,634,868
b.	Statutory valuation allowance adjustment	(41,067,453)	(32,432,585)	(8,634,868)
c.	Nonadmitted	-	-	-
d.	Admitted Ordinary DTAs	-	-	-
e.	Capital			
	1. Investments	-	-	-
	2. Net capital loss carry-forward	-	-	-
	3. Real estate	-	-	-
	4. Other	-	-	-
	99. Subtotal	-	-	-
f.	Statutory valuation allowance adjustment	-	-	-
g.	Nonadmitted	-	-	-
h.	Admitted capital DTAs	-	-	-
i.	Admitted DTAs	$ -	$ -	$ -

DTLs resulting from Book/Tax Differences in:

		December 31, 2018	December 31, 2017	Change
a.	Ordinary			
	1. Investments	$ -	$ -	$ -
	2. Fixed assets	-	-	-
	3. Deferred and uncollected premium	-	-	-
	4. Policyholder reserves/salvage & subrogation	-	-	-
	5. Other	-	-	-
	6. Premium acquisition reserve	-	-	-
	7. CMS RX Reserve	-	-	-
	8. Accrued Lease	-	-	-
	99. Subtotal	-	-	-
b.	Capital			
	1. Investments	-	-	-
	2. Real estate	-	-	-
	3. Other	-	-	-
	99. Subtotal	-	-	-
c.	DTLs	$ -	$ -	$ -
(4)	Net deferred tax asset/(liability)	$ -	$ -	$ -

NOTES TO THE FINANCIAL STATEMENTS

D. 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 as of December 31, 2018 are as follows:

	Amount	Tax Effect	Effective Tax Rate
Income before taxes	$ (23,596,015)	$ (9,202,446)	39.00%
Tax-exempt interest	-	-	0.00%
Dividends received deduction	-	-	0.00%
Proration	-	-	0.00%
Meals & entertainment, lobbying expenses, etc.	112,774	43,982	(0.19%)
Statutory valuation allowance adjustment	22,140,687	8,634,868	(36.59%)
Rate change to DTA	-	-	(6.95%)
Change to nonadmitted assets & deferred tax true-up	(2,024,433)	(789,529)	3.35%
Other, including prior year true-up	3,366,987	1,313,125	1.39%
Total	$ -	$ -	0.00%

Federal income taxes incurred [expense/(benefit)]	$ -	0.00%
Tax on capital gains/(losses)	-	0.00%
Change in net deferred income tax [charge/(benefit)]	-	0.00%
Correction of prior period error	-	0.00%
Total statutory income taxes	$ -	0.00%

E. Operating loss and tax credit carry-forwards and protective tax deposits

(1) At December 31, 2018, the Company had net operating loss carry-forwards expiring through the year 2027 of $93,887,706.

At December 31, 2018, the Company had no capital loss carry-forwards.

At December 31, 2018, the Company had no AMT credit carry-forwards.

(2) The following table demonstrates the income tax expense for 2016, 2017 and 2018 that is available for the recoupment in the event of future net losses:

	Ordinary	Capital	Total
2016	$ -	$ -	$ -
2017	-	-	-
2018	-	-	-
Total	$ -	$ -	$ -

(3) There are no deposits admitted under IRC § 6603.

F. Not Applicable

G. 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.

10. Information Concerning Parent, Subsidiaries and Affiliates

A.-F. The Company provides management and administrative services to Humana Insurance Company of Puerto Rico, Inc., an affiliate. The related expenses are allocated based on a number of factors depending on the specific expense. That is, certain expenses are allocated on a per member per month basis while others are allocated on a percentage of premium basis or other specific allocation basis. For the years ended December 31, 2018 and 2017, expenses recovered by the Company amounted to $(15,377,122) and $(16,484,697), respectively, which are recorded as a reduction to selling, general and administrative expenses in the accompanying statutory statements of revenue and expenses.

The Company has a cash pooling arrangement with Humana whereby a majority of its cash is swept nightly. At December 31, 2018, the Company reported $14,700,967 due to Humana associated with this arrangement and the aforementioned management arrangement with Humana Insurance Company of Puerto Rico, Inc.

No dividends were paid by the Company as of December 31, 2018.

The Company has a parental guarantee with Humana Inc. in the event the Company is unable to repay its surplus note to an affiliated entity.

G. All outstanding shares of the Company are owned by the Parent Company.

H. Not Applicable.

I. Not Applicable.

J. Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

K. Not Applicable.

L. Not Applicable.

M. All SCA Investments

Not Applicable.

N. Investment in Insurance SCA

Not Applicable.

O. SCA Loss Tracking

Not Applicable.

11. Debt

A. Debt Including Capital Notes

The Company has no debentures outstanding.

The Company has no capital notes outstanding.

The Company does not have any reverse repurchase agreements.

B. Federal Home Loan Bank (FHLB) Agreements

The Company does not have any FHLB agreements.

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

A.-D. Defined Benefit Plans

Not Applicable.

E. Defined Contribution Plans

Not Applicable.

F. Multiemployer Plans

Not Applicable.

G. Consolidated/Holding Company Plans

The Company employees are eligible to participate in the Humana Retirement and Savings Plan ("the Plan"), a defined contribution plan, sponsored by Humana Inc. The Plan maintains two accounts, the Savings Account and the Retirement Account.

Humana Inc.'s total contributions paid to the Savings and Retirement accounts of the Humana Retirement Savings Plan were $194,704,927 and $216,450,717 for the years ended December 31, 2018 and 2017, respectively. Of these contributions, the Company contributed $1,995,266 and $1,812,377 during 2018 and 2017, respectively. As of December 31, 2018 and 2017, the fair market value of the Humana Retirement Savings Plan's assets was $46,406,295 and $51,064,170, respectively.

H. Postemployment Benefits and Compensated Absences

Not Applicable.

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

Not Applicable.

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

(1) The Company has $5 par value common stock with 1,000,000 shares authorized and 28,505 shares issued and 28,505 outstanding. All shares are common stock shares.

(2) The Company has no preferred stock outstanding.

(3-5) Dividends and returns of capital to shareholders are noncumulative and are paid as determined by the Board of Directors. In accordance with the Commissioner statutes, the maximum amount which can be paid by the Company to shareholders without prior approval by the Commissioner is the lesser of 10% of total surplus, or the greater of net operating gain for the calendar year preceding the dividend or for the 3 calendar years preceding the dividend less dividends paid for the most recent 2 of those calendar years. Based on these restrictions, no dividend was available without prior approval.

Within the limitations above, there are no restrictions placed on the portion of Company profits that may be paid as

NOTES TO THE FINANCIAL STATEMENTS

ordinary dividends to stockholders.

No dividends were paid by the Company as of December 31, 2018.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

(7) Not Applicable.

(8) Not Applicable.

(9) Changes in balances of special surplus funds from the prior year is due to the moratorium of the 2019 Health Insurer Fee.

(10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is $(174,688).

(11) The Company issued the following surplus debentures or similar obligations:

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note	Interest And/Or Principal Paid Current year	Total Interest And/Or Principal Paid	Unapproved Interest And/ Or Principal	Date of Maturity
December 31, 2018	5.00%	$16,000,000	$16,000,000	$ -	$ -	$ -	December 31, 2025
	Total	$16,000,000	$16,000,000	$ -	$ -	$ -	XXX

The surplus note totaling $16,000,000 listed in the above table was issued to the Company by Humana Insurance of Puerto Rico, Inc., an affiliated entity, in exchange for cash.

The surplus note has the following repayment conditions and restrictions:

Any payment of the principal, whether prior to or at maturity, and any payment of interest on this debenture may be made in whole or in part only after the prior written approval of the Commissioner of Insurance of the Commonwealth of Puerto Rico. No payment of accrued interest or repayment of the principle amount can be made if such repayment would reduce the capital and surplus of the Company to less than the minimum surplus amount required by the Commissioner.

The surplus note has the following subordination terms:

Repayment of the principal and payment of interest is subordinated to the prior payment of, or provision for, all general liabilities of the Company, but ranks superior to the claim, interest and equity of the shares or shareholders of the Company. No dividend can be paid on any security of the Company unless all unpaid accrued interest on the principal sum hereof has been first paid by the Company.

In the event of liquidation of the company, repayment of the outstanding balance of the surplus note and any accrued interest due shall be paid to Humana Insurance of Puerto Rico, Inc. out of any assets remaining after the payment of all policy obligations and all other liabilities of the Company, but before the distribution of assets to any other person or entity.

(12) Not Applicable.

(13) Not Applicable.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

Not Applicable.

B. Assessments

Not Applicable

C. Gain Contingencies

Not Applicable.

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits

Not Applicable.

E. Joint and Several Liabilities

Not Applicable.

F. All Other Contingencies

During the ordinary course of business, the Company is subject to pending and threatened legal actions. Management of the Company does not believe that any of these actions will have a material adverse effect on the Company's surplus, results of operations or cash flows. However, the likelihood or outcome of current or future legal proceedings cannot be accurately predicted, and they could adversely affect the Company's surplus, results of operations and cash flows.

NOTES TO THE FINANCIAL STATEMENTS

CMS is continuing to perform audits of various companies' selected MA contracts related to this risk adjustment diagnosis data. These audits are referred to herein as Risk-Adjustment Data Validation Audits, or RADV audits. RADV audits review medical records in an attempt to validate provider medical record documentation and coding practices which influence the calculation of premium payments to MA plans.

In 2012, CMS released a "Notice of Final Payment Error Calculation Methodology for Part C Medicare Advantage Risk Adjustment Data Validation (RADV) Contract-Level Audits". The payment error calculation methodology provides that, in calculating the economic impact of audit results for an MA contract, if any, the results of the audit sample will be extrapolated to the entire MA contract based upon a comparison to "benchmark" audit data in Medicare FFS, which is referred to herein as the FFS Adjuster. This comparison to the FFS Adjuster is necessary to determine the economic impact, if any, of audit results because the government program data set, including any attendant errors that are present in that data set, provides the basis for MA plans' risk adjustment to payment rates. CMS already makes other adjustments to payment rates based on a comparison of coding pattern differences between MA plans and Medicare FFS data (such as for frequency of coding for certain diagnoses in MA plan data versus the government program data set).

The final methodology, including the first application of extrapolated audit results to determine audit settlements, is expected to be applied to RADV contract level audits currently being conducted for contract year 2011 in which two of Humana's MA plans are being audited. Per CMS guidance, selected MA contracts will be notified of an audit at some point after the close of the final reconciliation for the payment year being audited. The final reconciliation occurs in August of the calendar year following the payment year. Humana was notified on September 15, 2015 that five of its MA contracts have been selected for audit for contract year 2012. The Company held one of the MA contracts selected for audit. The Company submitted records for the selected contract to CMS on May 10, 2016.

Estimated audit settlements are recorded as a reduction of earned premiums in the statutory statements of revenue and expenses, based upon available information. The Company performs internal contract level audits based on the RADV audit methodology prescribed by CMS. Included in these internal contract level audits is an audit of the Company's Private Fee-For-Service business which the Company used to represent a proxy of the FFS Adjuster which has not yet been released. The Company based its accrual of estimated audit settlements for each contract year on the results of these internal contract level audits and update its estimates as each audit is completed. Estimates derived from these results indicated a potential exposure of $21 million to the Company's statutory statements of admitted assets, liabilities and surplus, and related statutory statements of revenue and expenses, changes in surplus, and cash flows and the Company has notified CMS of the results of this internal audit. However, as indicated, the Company is awaiting additional guidance from CMS regarding CMS' preferred method for measuring the final amount owed in light of (i) CMS' ongoing RADV audit of certain Humana contracts, and (ii) CMS' prior recoupment of premiums associated with individual risk adjustment data corrections submitted to CMS by Humana following the self-audit process. Accordingly, the Company cannot determine whether such RADV audits will have a material adverse effect on the Company's statutory statements of admitted assets, liabilities and surplus, and related statutory statements of revenue and expenses, changes in surplus, and cash flows.

In addition, CMS' comments in formalized guidance regarding "overpayments" to MA plans appear to be inconsistent with CMS' prior RADV audit guidance. These statements, contained in the preamble to CMS' final rule release regarding MA and Part D prescription drug benefit program regulations for Contract Year 2015, appear to equate each MA risk adjustment data error with an "overpayment" without reconciliation to the principles underlying the FFS Adjuster referenced above. The Company will continue to work with CMS to ensure that MA plans are paid accurately and that payment model principles are in accordance with the requirements of the Social Security Act, which, if not implemented correctly could have a material adverse effect on the Company's statutory statements of admitted assets, liabilities and surplus, and related statutory statements of revenue and expenses, changes in surplus, and cash flows.

The Company is not aware of any other material contingent liabilities as of December 31, 2018.

15. Leases

A. Lessee Operating Lease

(1) The Company has entered into operating leases for medical and administrative office space and equipment with lease terms ranging from one to five years. Operating lease rental payments charged to expenses for the years ended December 31, 2018 and 2017 was $1,780,231 and $1,310,098, respectively.

(2) Noncancelable Lease Terms:

a) At January 1, 2019, the minimum aggregate rental commitments are as follows:

Year ending December 31,

2019	$	1,181,629
2020		1,184,584
2021		1,131,858
2022		1,125,294
2023		31,235
Thereafter		-
Total Minimum Lease Payments	$	4,654,600

b) Certain rental commitments have renewal options extending through the year 2023. Some of these renewals are subject to adjustments in future periods.

(3) The Company is not involved in any sales-leaseback transactions.

B. Lessor Leases

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

16. Information about Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no investment in Financial Instruments with Off-Balance Sheet Risk or Concentrations of Credit Risk.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not Applicable.

B. Transfer and Servicing of Financial Assets

Not Applicable.

C. Wash Sales

Not Applicable.

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

A. ASO Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans were as follows for the year ended December 31, 2018:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$ (3,287,565)	$ -	$ (3,287,565)
b. Total net other income or expenses (including interest paid to or received from plans)	$ 5,723,397	$ -	$ 5,723,397
c. Net gain or (loss) from operations	$ 2,435,832	$ -	$ 2,435,832
d. Total claim payment volume	-	-	-

B. ASC Plans

Not Applicable.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

(1) The Company records no revenue explicitly attributable to the cost share and reinsurance components of its Medicare or other similarly structured cost based reimbursement contracts.

(2) As of December 31, 2018, the Company has recorded a receivable from CMS of $4,121,395 related to the cost share and reinsurance components of administered Medicare products. The Company does not have any receivables greater than 10% of the Company's accounts receivable from uninsured accident and health plans or $10,000.

(3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company's Medicare or other similarly structured cost based reimbursement contracts, the Company has recorded no allowances and reserves for adjustment of recorded revenues and receivables.

(4) The Company has made no adjustment to revenue resulting from audit of receivables related to revenues recorded in the prior period.

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

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

20. Fair Value Measurements

A. (1) The fair value of financial assets at December 31, 2018 were as follows:

	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					$ -
U.S. governments	$ -	$ -	$ -	$ -	
Tax-exempt municipal	-	-	-	-	-
Residential mortgage-backed	-	-	-	-	-
Corporate debt securities	-	3,319,788	-	-	3,319,788
Total bonds	-	3,319,788	-	-	3,319,788
Total assets at fair value	$ -	$ 3,319,788	$ -	$ -	$ 3,319,788
b. Liabilities at fair value	$ -	$ -	$ -	$ -	$ -
Total liabilities at fair value	$ -	$ -	$ -	$ -	$ -

The Company reports transfers between Level 1 and Level 2 of the fair value hierarchy levels at the end of the reporting period. There were no transfers between Level 1 and Level 2 of the fair value hierarchy between December 31, 2017 and December 31, 2018.

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

Not Applicable.

(3) The Company reports transfers into or out of Level 3 of the fair value hierarchy levels at the end of the reporting period. There were no transfers into or out of Level 3 of the fair value hierarchy levels between December 31, 2017 and December 31, 2018.

(4) Fair value of actively traded debt securities are based on quoted market prices. Fair value of other debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates generally using a market valuation approach, or, less frequently, an income valuation approach and are generally classified as Level 2. The Company generally obtains one quoted price for each security from a third party pricing service. These prices are generally derived from recently reported trades for identical or similar securities, including adjustments through the reporting date based upon observable market information. When quoted prices are not available, the third party pricing service may use quoted market prices of comparable securities or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include benchmark yields, reported trades, credit spreads, broker quotes, default rates and prepayment speeds. The Company is responsible for the determination of fair value and as such, the Company performs analysis on the prices received from the third party pricing service to determine whether the prices are reasonable estimates of fair value. The Company's analysis includes a review of monthly price fluctuations as well as a quarterly comparison of the prices received from the pricing service to prices reported by the Company's third party investment advisor. Based on the Company's internal price verification procedures and review of fair value methodology documentation provided by the third party pricing service, there were no material adjustments to the prices obtained from the third party pricing service during the year ended December 31, 2018.

(5) Derivative Fair Values

Not Applicable.

B. Other Fair Value Disclosures

Not Applicable.

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds and cash equivalents	$ 99,386,849	$ 100,461,818	$ 34,689,978	$ 64,696,871	$ -	$ -	$ -

D. Financial Instruments for which Not Practicable to Estimate Fair Values

Not Applicable.

21. Other Items

A. Extraordinary Items

Not Applicable.

B. Troubled Debt Restructuring: Debtors

Not Applicable.

C. Other Disclosures and Unusual Items

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

D. Business Interruption Insurance Recoveries

Not Applicable.

E. State Transferable and Non-transferable Tax Credits

Not Applicable.

F. Subprime Mortgage Related Risk Exposure

(1) The Company consults with its external investment managers to assess its subprime mortgage related risk exposure. Certain characteristics are utilized to determine if a mortgage-backed security has subprime exposure. The main characteristics reviewed when determining this are the collateral and structure of the security, the loan purpose, loan documentation, occupancy, geographical location, loan size and type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans. Management's practices include reviewing quantitative and qualitative credit models that analyze loan-level collateral composition, historical underwriter performance trends, the impact of macroeconomic factors, and issuer risks; as well as reviewing the estimation of security cash flows and monthly model calibrations.

(2) Direct exposure through investments in sub-prime mortgage loans.

The Company has no direct exposure through investment to sub-prime mortgage loans.

(3) Direct exposure through other investments:

a. Residential mortgage backed securities – No substantial exposure noted.
b. Commercial mortgage backed securities – No substantial exposure noted.
c. Collateralized debt obligations – No substantial exposure noted.
d. Structured securities – No substantial exposure noted.
e. Equity investment in SCAs – No substantial exposure noted.
f. Other assets – No substantial exposure noted.
g. Total – No substantial exposure noted.

(4) Underwriting exposure to sub-prime mortgage risk through Mortgage Guaranty coverage, Financial Guaranty coverage, Directors and Officers liability coverage, or Errors and Omissions liability coverage.

Not Applicable.

Classification of mortgage related securities is primarily based on information from outside data services, including rating agency actions. When considering our exposure, the Company evaluated the percentage of full documentation loans, percent of owner occupied properties, FICO scores, average margin for ARM loans, percent of loans with prepayment penalties, the existence of non-traditional underwriting standards, among other factors.

G. Retained Assets

Not Applicable.

H. Insurance Linked Securities

Not Applicable.

22. Events Subsequent

On January 1, 2019, the Company will not be subject to the annual fee under Section 9010 of the Federal Affordable Care Act (ACA). The Consolidated Appropriations Act enacted on December 18, 2015, included a one-time one year suspension in 2017 of the health insurer fee. The Continuing Resolution bill, H.R. 195, enacted on January 22, 2018, included a one year suspension in 2019 of the health insurer fee, but the fee is scheduled to resume in calendar year 2020. Based on the moratorium no segregation was recorded within special surplus for the annual health insurance industry fee related to the 2018 data year. In 2018, the Company was subject to an annual fee under section 9010 of the ACA. This annual fee was 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 was written during the preceding calendar year. The 2018 fee was included in 2017 special surplus and paid September 30, 2018. The impact of the annual health insurance industry fee on the Company's operations as of December 31, 2018 and 2017 were as follows:

NOTES TO THE FINANCIAL STATEMENTS

		Current Year	Prior Year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	No	
B.	ACA fee assessment payable for the upcoming year	$ -	$ 6,137,673
C.	ACA fee assessment paid	$ 6,179,490	$ -
D.	Premiums written subject to ACA 9010 assessment	$ -	$ 307,899,264
E.	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	$ 23,059,559	$ 32,976,351
F.	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	$ 23,059,559	$ 26,838,678
G.	Authorized Control Level (Five-Year Historical Line 15)	$ 9,272,445	$ 8,437,129
H.	Would reporting the ACA assessment as of December 31, 2018, have triggered an RBC action level (YES/NO)	No	

The Company is not aware of any events or transactions occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition. Subsequent events have been considered through February 26, 2019 for the Statutory Statement issued on March 27, 2019.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

(1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10.0 percent or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes ( ) No (X)

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10.0 percent or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes ( ) No (X)

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X)

Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. $0

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

Yes ( ) No (X)

B. Uncollectible Reinsurance

Not Applicable.

C. Commutation of Ceded Reinsurance

Not Applicable.

NOTES TO THE FINANCIAL STATEMENTS

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. The Company estimates accrued retrospective premium adjustments for its Medicare business through a mathematical approach using an algorithm based upon settlement procedures defined by contracts with CMS.

The Company estimates accrued retrospective premium adjustments for its Commercial business based on experience to date, knowledge of the marketplace, and the terms of the risk corridors program with HHS.

B. The Company records accrued retrospective premium as an adjustment to earned premiums.

C. The amount of net premiums written by the Company at December 31, 2018 that are subject to retrospective rating features was $324,575,784, or 100.00% of the total net premiums written. No other net premiums written by the Company are subject to retrospective rating features.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act

Not Applicable.

E. Risk Sharing Provisions of the Affordable Care Act

Not Applicable.

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2017 were $32,287,687. As of December 31, 2018, $32,092,893 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $1,486,557 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a $1,291,763 unfavorable prior-year development since December 31, 2017. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. The amounts presented in this footnote exclude any impact related to Pharmacy Rebates and other Healthcare Receivable activity. Impact of such receivables can be seen in Footnote 28. The Company did not experience any material prior year claim development on retrospectively rated policies.

26. Intercompany Pooling Arrangements

Not Applicable.

27. Structured Settlements

The Company has no structured settlements.

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimate Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 181 Days after Billing
12/31/2018	$ 5,513,618	$ 5,513,618	$ -	$ -	$ -
9/30/2018	6,525,151	6,525,151	6,501,386	-	-
6/30/2018	7,285,446	7,285,446	7,249,143	36,303	-
3/31/2018	5,482,763	5,482,763	5,482,763	-	-
12/31/2017	4,307,254	4,307,254	4,066,647	231,541	9,066
9/30/2017	4,885,808	4,885,808	4,884,107	-	1,701
6/30/2017	4,718,203	4,718,203	4,714,786	2,406	1,011
3/31/2017	4,663,747	4,663,747	4,662,701	-	1,046
12/31/2016	3,374,542	3,374,542	3,373,767	775	-
9/30/2016	3,131,658	3,131,658	3,131,041	-	617
6/30/2016	2,996,476	2,996,476	2,993,246	-	3,230
3/31/2016	3,266,182	3,266,182	3,264,744	-	1,438

B. Risk Sharing Receivables

Not Applicable.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves $ 3,374,000

NOTES TO THE FINANCIAL STATEMENTS

2. Date of the most recent evaluation of this liability December 31, 2018

3. Was anticipated investment income utilized in the calculation? Yes ( ) No (X)

The Company did recognize the time value of money by discounting future losses at an annual interest rate of 2.56%.

31. Anticipated Salvage and Subrogation

Not Applicable.

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? Puerto Rico

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. 0000049071

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. 12/31/2014

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. 12/31/2011

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/25/2015

3.4 By what department or departments?
Insurance Commissioner of Puerto Rico

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 control; 0.0 %
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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PricewaterhouseCoopers LLC, 304 Ponce de Leon Avenue, Suite 800, San Juan, Puerto Rico 00918

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?
Susan Mateja, Appointed Actuary, 500 West Main Street, Louisville, KY 40202

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $ 0

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?
Not Applicable.

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [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? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

14.11 If the response to 14.1 is No, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [X] No [ ]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).
Ethics Every Day was amended to update content based on operational and regulatory changes, clarify content where necessary and perform general document maintenance.

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $ 0
- 20.12 To stockholders not officers $ 0
- 20.13 Trustees, supreme or grand (Fraternal Only) $ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $ 0
- 20.22 To stockholders not officers $ 0
- 20.23 Trustees, supreme or grand (Fraternal Only) $ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $ 0
- 21.22 Borrowed from others $ 0
- 21.23 Leased from others $ 0
- 21.24 Other $ 0

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

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $ 0
- 22.22 Amount paid as expenses $ 0
- 22.23 Other amounts paid $ 0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] 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 [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $ 0

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 [ ] N/A [X]

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

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as 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

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 $ 0
25.22 Subject to reverse repurchase agreements $ 0
25.23 Subject to dollar repurchase agreements $ 0
25.24 Subject to reverse dollar repurchase agreements $ 0
25.25 Placed under option agreements $ 0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $ 0
25.27 FHLB Capital Stock $ 0
25.28 On deposit with states $ 6,046,095
25.29 On deposit with other regulatory bodies $ 0
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $ 0
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $ 0
25.32 Other $ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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. $ 0

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
Citibank N.A.	Carolyn Rodriguez, Relationship Manager

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]
28.04 If yes, give full and complete information relating thereto:

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

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
BLACKROCK FINANCIAL MANAGEMENT, INC	U
W. Mark Preston	I

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

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [X] No [ ]

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107105	BLACKROCK FINANCIAL MANAGEMENT, INC	549300LVXYIVJKE13M84	the SEC	DS

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	65,771,840	64,696,871	(1,074,969)
30.2 Preferred stocks	0	0	0
30.3 Totals	65,771,840	64,696,871	(1,074,969)

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

Fair value of actively traded debt and equity securities are based on quoted market prices.Fair value of inactively traded debt securities are based on quoted market prices of identical or similar securities or based on observable inputs like interest rates using either a market or income valuation.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [ ] No [X]

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

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

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No [ ]

32.2 If no, list exceptions:

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 a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
    d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

    Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [X]

OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? ..... $ 53,507

35.2 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
ACODESE	40,000

36.1 Amount of payments for legal expenses, if any? ..... $ 337,586

36.2 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
PIETRANTONI MENDEZ & ALVAREZ LLP	135,675
SCHUSTER AGUILO LLC	98,210

37.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? ..... $ 0

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

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

1.2 If yes, indicate premium earned on U.S. business only. $ 0

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 $ 0

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

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	324,575,784	304,173,239
2.2	Premium Denominator	324,575,784	304,173,239
2.3	Premium Ratio (2.1/2.2)	1.000	1.000
2.4	Reserve Numerator	69,295,249	69,042,781
2.5	Reserve Denominator	69,295,249	69,042,781
2.6	Reserve Ratio (2.4/2.5)	1.000	1.000

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

3.2 If yes, give particulars:

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

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

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

5.2 If no, explain:

Stop-Loss Reinsurance is not required

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical $ 0

5.32 Medical Only $ 0

5.33 Medicare Supplement $ 0

5.34 Dental & Vision $ 0

5.35 Other Limited Benefit Plan $ 0

5.36 Other $ 0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Provider contracts include hold harmless and continuation of benefits provisions. Insurer has an indemnity agreement with the parent company.

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

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 22,560

8.2 Number of providers at end of reporting year 22,871

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ ] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months $ 0

9.22 Business with rate guarantees over 36 months $ 0

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [ ] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses $ 0
10.22 Amount actually paid for year bonuses $ 0
10.23 Maximum amount payable withholds $ 0
10.24 Amount actually paid for year withholds $ 0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [ ] No [X]
11.13 An Individual Practice Association (IPA), or, Yes [ ] No [X]
11.14 A Mixed Model (combination of above)? Yes [ ] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No [ ]
11.3 If yes, show the name of the state requiring such minimum capital and surplus. Puerto Rico
11.4 If yes, show the amount required. $ 18,544,890
11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [ ]
11.6 If the amount is calculated, show the calculation
See RBC calculation or state regulation.

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

1 Name of Service Area
PR - all counties

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. $ 0

13.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

13.4 If yes, please provide the balance of funds administered as of the reporting date. $ 0

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [ ] No [X] N/A [ ]
14.2 If the answer to 14.1 is yes, please provide the following:

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

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

15.1 Direct Premium Written $ 0
15.2 Total Incurred Claims $ 0
15.3 Number of Covered Lives 0

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

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

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 [X]

FIVE-YEAR HISTORICAL DATA

		1 2018	2 2017	3 2016	4 2015	5 2014
	Balance Sheet (Pages 2 and 3)					
1.	Total admitted assets (Page 2, Line 28)	128,485,517	124,106,261	114,667,223	140,756,289	150,112,414
2.	Total liabilities (Page 3, Line 24)	105,425,958	91,129,910	71,869,727	65,109,965	80,586,648
3.	Statutory minimum capital and surplus requirement	18,544,890	16,874,494	17,601,428	20,325,710	21,109,527
4.	Total capital and surplus (Page 3, Line 33)	23,059,559	32,976,351	42,797,496	75,646,324	69,525,766
	Income Statement (Page 4)					
5.	Total revenues (Line 8)	324,575,784	304,173,239	312,170,826	417,739,128	391,463,927
6.	Total medical and hospital expenses (Line 18)	293,087,404	278,105,024	293,352,067	368,360,055	367,677,319
7.	Claims adjustment expenses (Line 20)	13,536,297	13,022,152	11,870,773	11,514,823	9,843,849
8.	Total administrative expenses (Line 21)	45,657,911	35,778,523	43,352,207	40,568,240	39,839,800
9.	Net underwriting gain (loss) (Line 24)	(31,079,828)	(18,932,460)	(39,999,221)	(2,910,990)	(22,044,041)
10.	Net investment gain (loss) (Line 27)	1,756,213	1,296,253	1,789,093	5,065,647	3,878,255
11.	Total other income (Lines 28 plus 29)	5,727,599	4,731,580	5,956,879	6,021,019	(2,909)
12.	Net income or (loss) (Line 32)	(23,596,016)	(12,923,301)	(32,227,417)	7,698,771	(18,168,695)
	Cash Flow (Page 6)					
13.	Net cash from operations (Line 11)	(29,750,383)	22,048,193	(23,386,972)	(14,175,551)	(14,623,127)
	Risk-Based Capital Analysis					
14.	Total adjusted capital	23,059,559	32,976,351	42,797,496	75,646,324	69,525,766
15.	Authorized control level risk-based capital	9,272,445	8,437,129	8,800,714	10,162,855	10,554,764
	Enrollment (Exhibit 1)					
16.	Total members at end of period (Column 5, Line 7)	43,155	47,094	46,579	58,192	60,335
17.	Total members months (Column 6, Line 7)	518,654	558,865	576,129	723,572	682,784
	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)	90.3	91.4	94.0	88.2	93.9
20.	Cost containment expenses	4.0	4.2	3.7	2.4	2.2
21.	Other claims adjustment expenses	0.1	0.1	0.1	0.4	0.3
22.	Total underwriting deductions (Line 23)	109.6	106.2	112.8	100.7	105.6
23.	Total underwriting gain (loss) (Line 24)	(9.6)	(6.2)	(12.8)	(0.7)	(5.6)
	Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24.	Total claims incurred for prior years (Line 13, Col. 5)	29,158,204	23,359,112	40,138,003	45,120,141	62,935,029
25.	Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	27,677,112	26,679,975	39,477,303	58,543,337	63,734,676
	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)	0	0	0	0	0
29.	Affiliated short-term investments (subtotal included in Schedule 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	0	0	0	0	0
33.	Total investment in parent included in Lines 26 to 31 above.	0	0	0	0	0

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

If no, please explain:

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
	States, etc.	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama AL	N	0	0	0	0	0	0	0	0
2.	Alaska AK	N	0	0	0	0	0	0	0	0
3.	Arizona AZ	N	0	0	0	0	0	0	0	0
4.	Arkansas AR	N	0	0	0	0	0	0	0	0
5.	California CA	N	0	0	0	0	0	0	0	0
6.	Colorado CO	N	0	0	0	0	0	0	0	0
7.	Connecticut CT	N	0	0	0	0	0	0	0	0
8.	Delaware DE	N	0	0	0	0	0	0	0	0
9.	District of Columbia DC	N	0	0	0	0	0	0	0	0
10.	Florida FL	N	0	0	0	0	0	0	0	0
11.	Georgia GA	N	0	0	0	0	0	0	0	0
12.	Hawaii HI	N	0	0	0	0	0	0	0	0
13.	Idaho ID	N	0	0	0	0	0	0	0	0
14.	Illinois IL	N	0	0	0	0	0	0	0	0
15.	Indiana IN	N	0	0	0	0	0	0	0	0
16.	Iowa IA	N	0	0	0	0	0	0	0	0
17.	Kansas KS	N	0	0	0	0	0	0	0	0
18.	Kentucky KY	N	0	0	0	0	0	0	0	0
19.	Louisiana LA	N	0	0	0	0	0	0	0	0
20.	Maine ME	N	0	0	0	0	0	0	0	0
21.	Maryland MD	N	0	0	0	0	0	0	0	0
22.	Massachusetts MA	N	0	0	0	0	0	0	0	0
23.	Michigan MI	N	0	0	0	0	0	0	0	0
24.	Minnesota MN	N	0	0	0	0	0	0	0	0
25.	Mississippi MS	N	0	0	0	0	0	0	0	0
26.	Missouri MO	N	0	0	0	0	0	0	0	0
27.	Montana MT	N	0	0	0	0	0	0	0	0
28.	Nebraska NE	N	0	0	0	0	0	0	0	0
29.	Nevada NV	N	0	0	0	0	0	0	0	0
30.	New Hampshire NH	N	0	0	0	0	0	0	0	0
31.	New Jersey NJ	N	0	0	0	0	0	0	0	0
32.	New Mexico NM	N	0	0	0	0	0	0	0	0
33.	New York NY	N	0	0	0	0	0	0	0	0
34.	North Carolina NC	N	0	0	0	0	0	0	0	0
35.	North Dakota ND	N	0	0	0	0	0	0	0	0
36.	Ohio OH	N	0	0	0	0	0	0	0	0
37.	Oklahoma OK	N	0	0	0	0	0	0	0	0
38.	Oregon OR	N	0	0	0	0	0	0	0	0
39.	Pennsylvania PA	N	0	0	0	0	0	0	0	0
40.	Rhode Island RI	N	0	0	0	0	0	0	0	0
41.	South Carolina SC	N	0	0	0	0	0	0	0	0
42.	South Dakota SD	N	0	0	0	0	0	0	0	0
43.	Tennessee TN	N	0	0	0	0	0	0	0	0
44.	Texas TX	N	0	0	0	0	0	0	0	0
45.	Utah UT	N	0	0	0	0	0	0	0	0
46.	Vermont VT	N	0	0	0	0	0	0	0	0
47.	Virginia VA	N	0	0	0	0	0	0	0	0
48.	Washington WA	N	0	0	0	0	0	0	0	0
49.	West Virginia WV	N	0	0	0	0	0	0	0	0
50.	Wisconsin WI	N	0	0	0	0	0	0	0	0
51.	Wyoming WY	N	0	0	0	0	0	0	0	0
52.	American Samoa AS	N	0	0	0	0	0	0	0	0
53.	Guam GU	N	0	0	0	0	0	0	0	0
54.	Puerto Rico PR	L	8,715,691	293,573,053	0	22,287,041	0	0	324,575,785	0
55.	U.S. Virgin Islands VI	N	0	0	0	0	0	0	0	0
56.	Northern Mariana Islands MP	N	0	0	0	0	0	0	0	0
57.	Canada CAN	N	0	0	0	0	0	0	0	0
58.	Aggregate other alien OT	XXX	0	0	0	0	0	0	0	0
59.	Subtotal	XXX	8,715,691	293,573,053	0	22,287,041	0	0	324,575,785	0
60.	Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61.	Total (Direct Business)	XXX	8,715,691	293,573,053	0	22,287,041	0	0	324,575,785	0
	DETAILS OF WRITE-INS									
58001.		XXX								
58002.		XXX								
58003.		XXX								
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

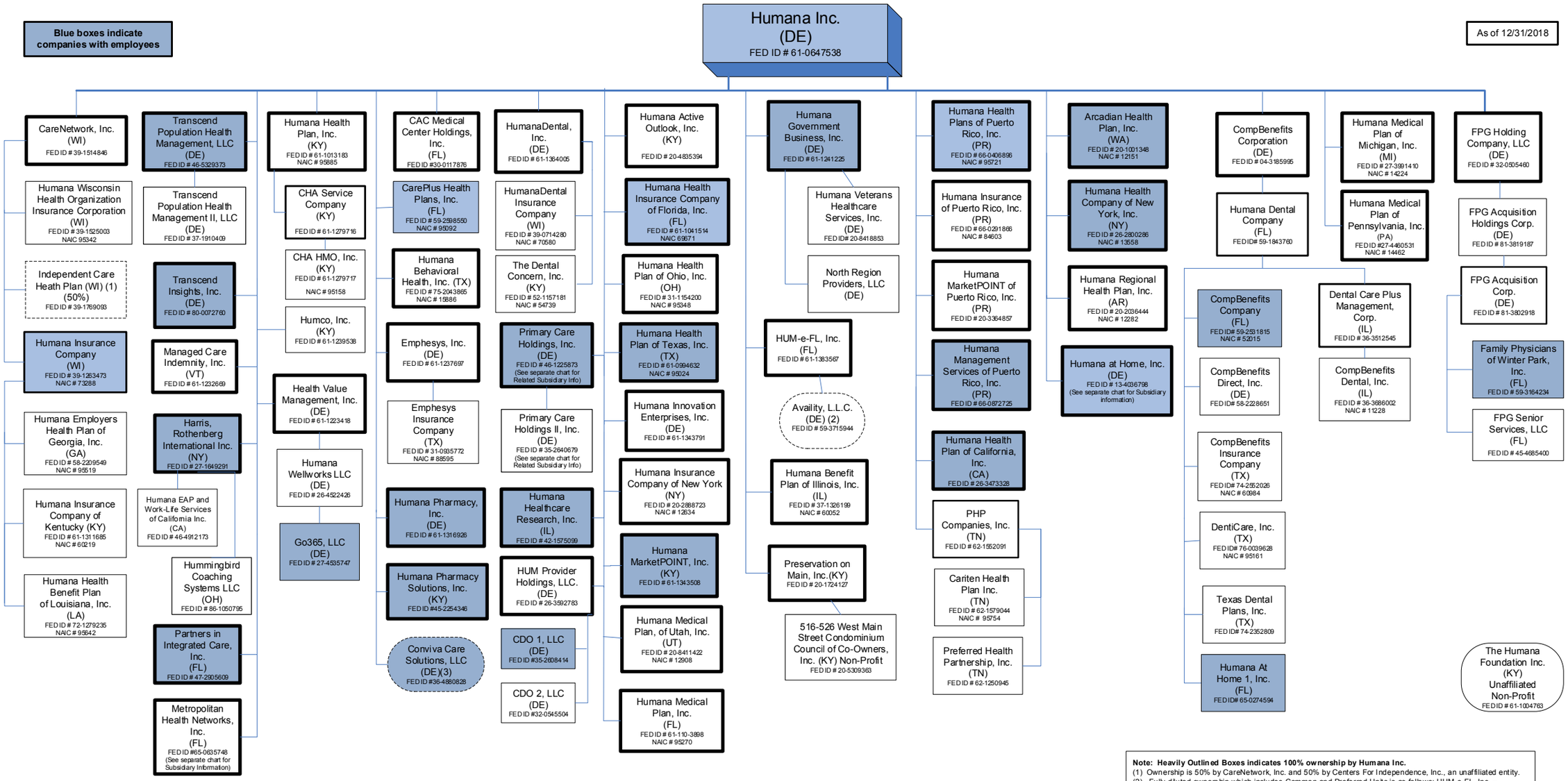
(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 1
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 56

(b) Explanation of basis of allocation by states, premiums by state, etc.

The company allocates group premiums to the situs of the contract and individual premiums based on residence.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Humana Health Plans of Puerto Rico Inc.



Note: Heavily Outlined Boxes indicates 100% ownership by Humana Inc.

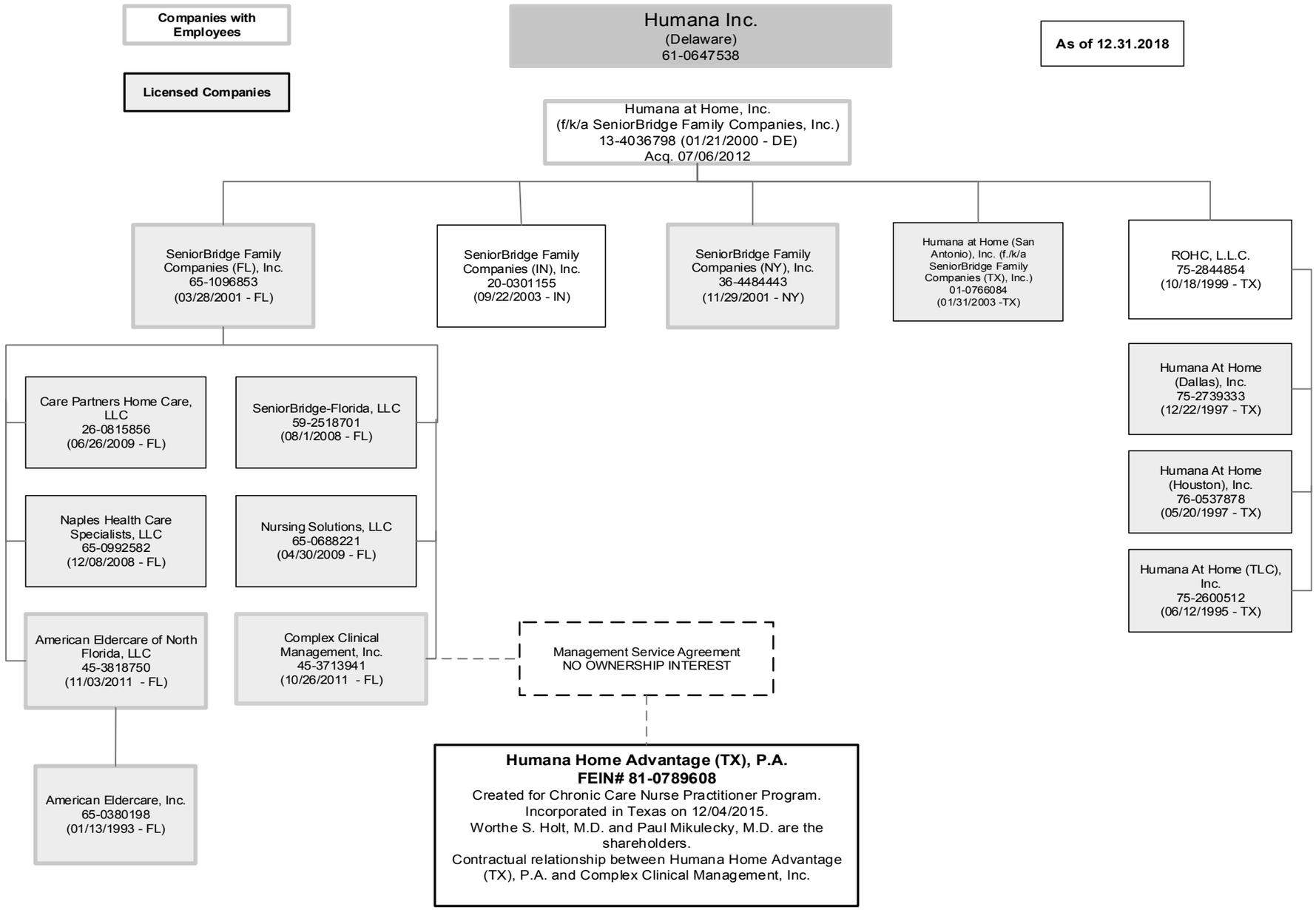
(1) Ownership is 50% by CareNetwork, Inc. and 50% by Centers For Independence, Inc., an unaffiliated entity.

(2) Fully diluted ownership which includes Common and Preferred Units is as follows: HUM-e-FL, Inc. – 16.587%; Navigy, Inc. (an unaffiliated entity)-23.843%; Health Care Service Corporation (an unaffiliated entity)-23.843%; Sellcore, Inc. (an unaffiliated entity)-14.474%; MII Services, Inc. (an unaffiliated entity)-2.239%; and AV Investor, L.L.C. (an unaffiliated entity)-19.013%.

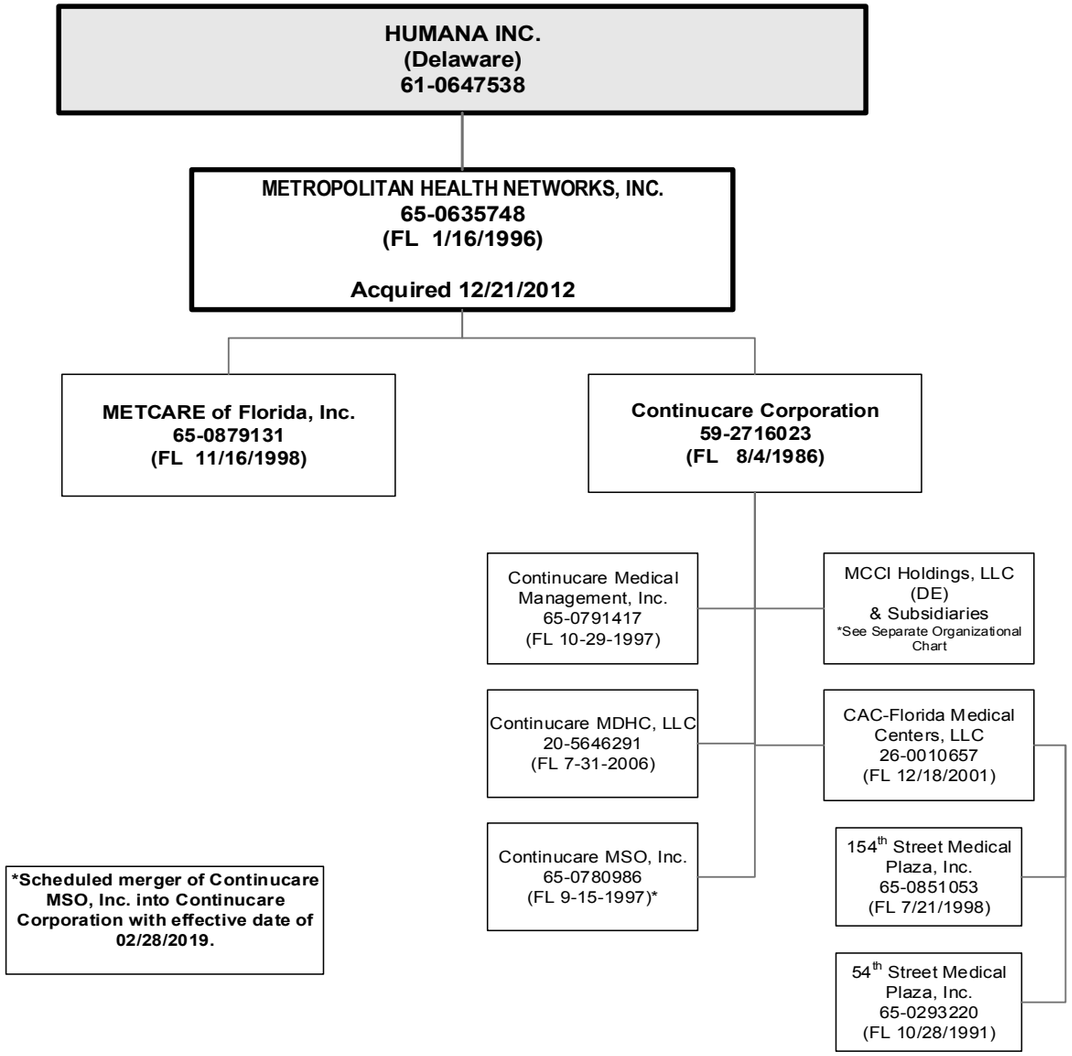
(3) Conviva Care Solutions, LLC's ownership is 45% by Humana Inc., 45% by Outside Investors and 10% by company management/physicians/others.

NOTE: See Joint Venture organizational chart for information on the company's ownership in several joint ventures.

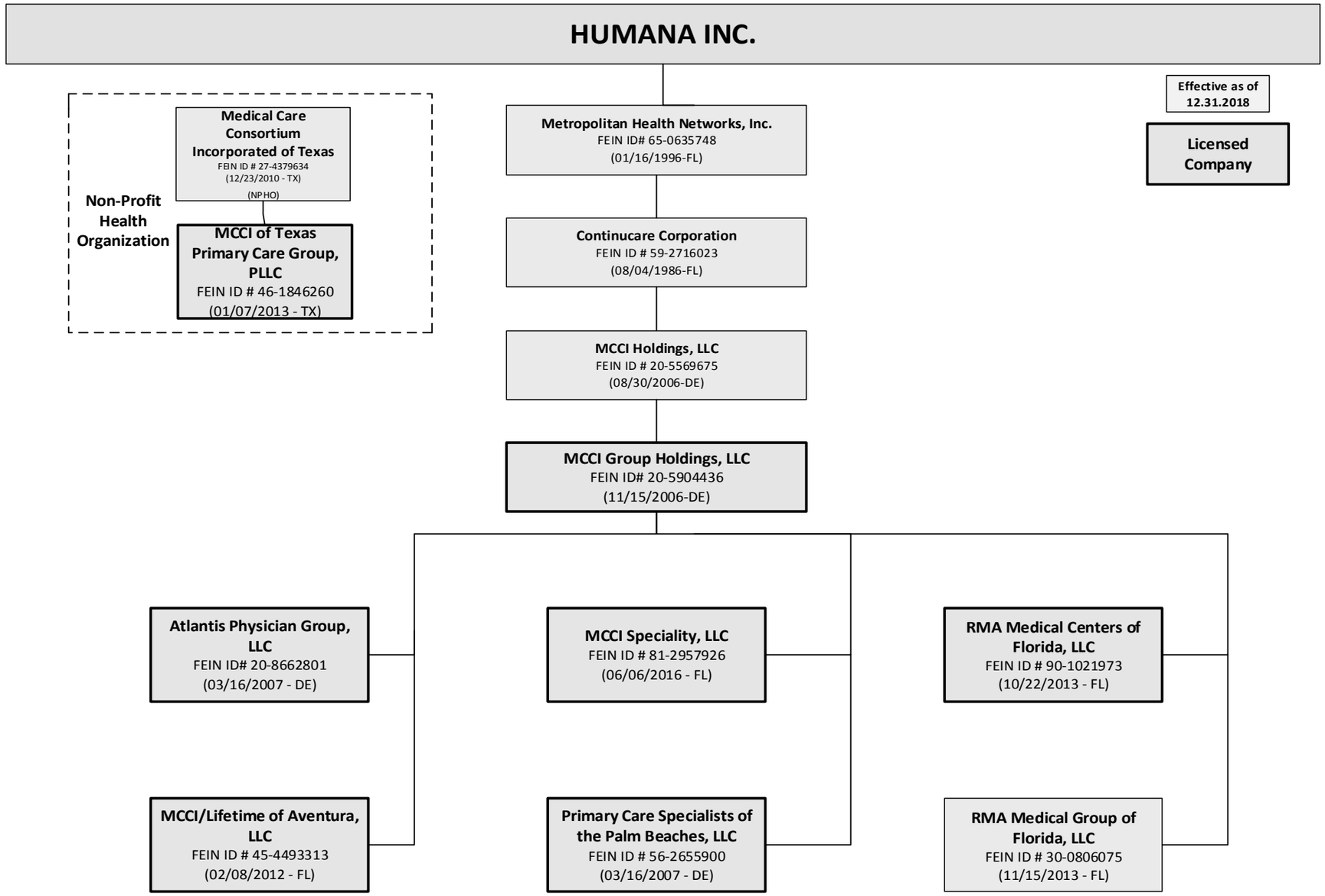
ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Humana Health Plans of Puerto Rico Inc.



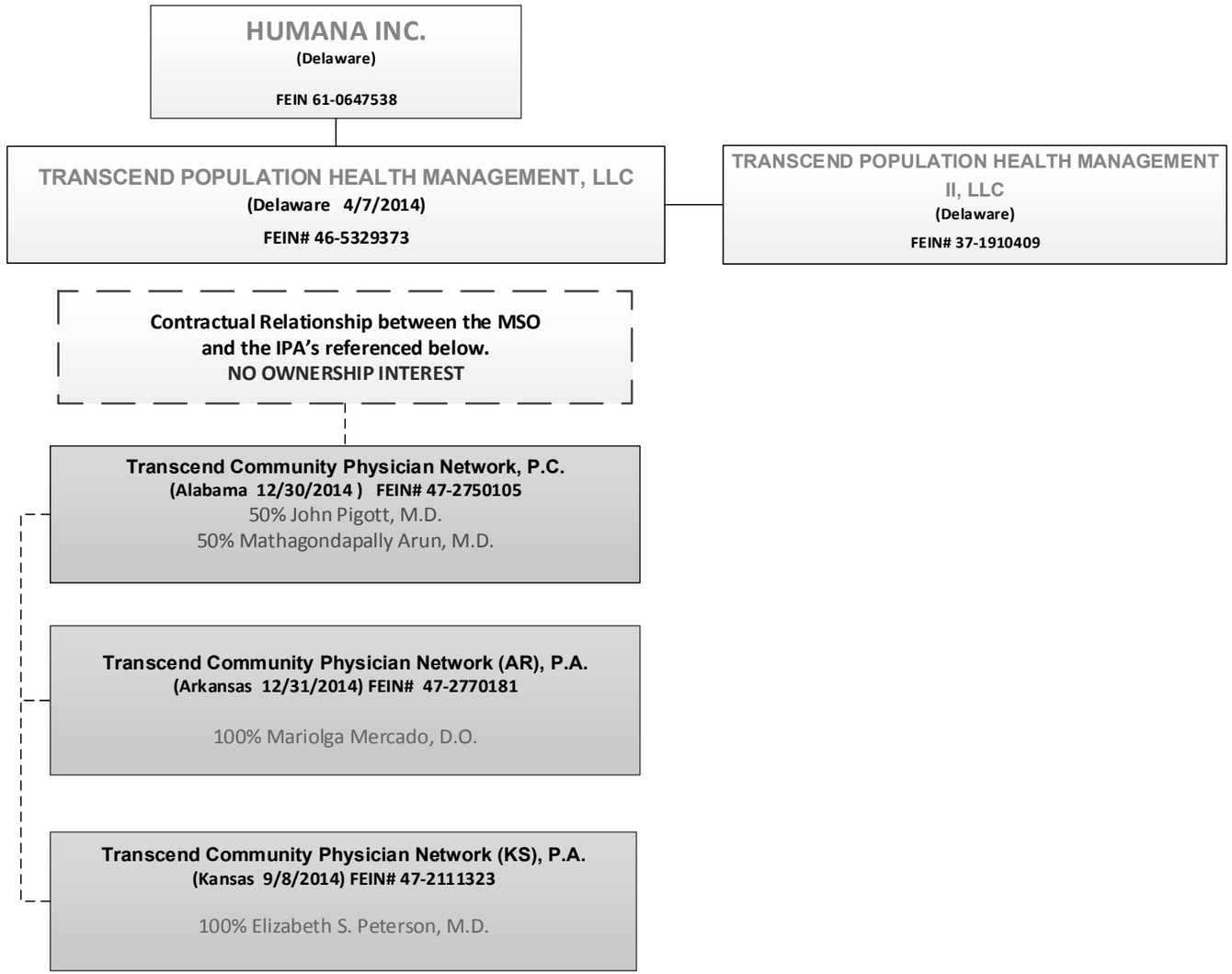
As of 12/31/2018



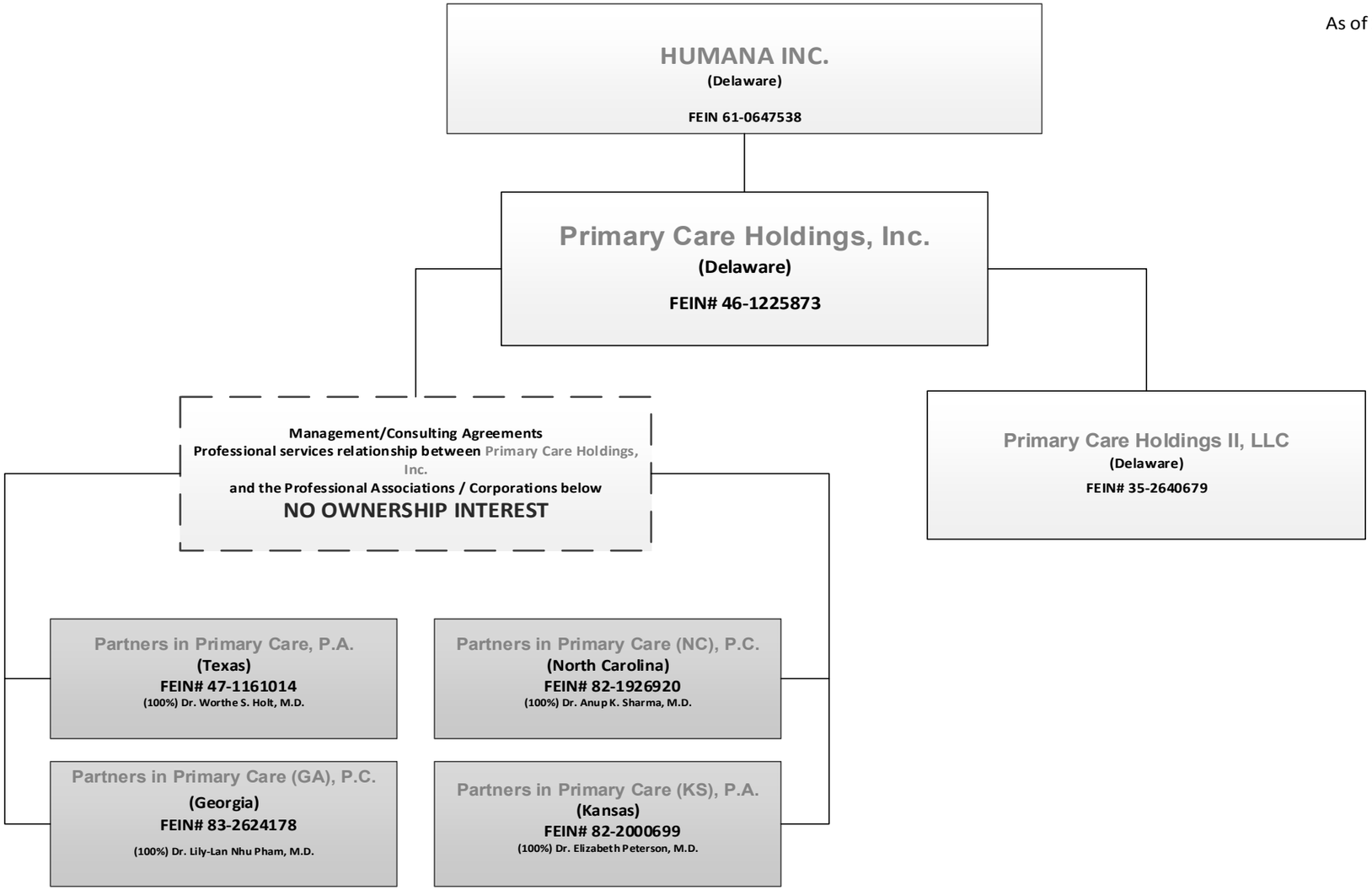
*Scheduled merger of Continucare MSO, Inc. into Continucare Corporation with effective date of 02/28/2019.


HUMANA INC.
Effective as of 12.31.2018
Licensed Company
Non-Profit Health Organization
Medical Care Consortium Incorporated of Texas
FEIN ID # 27-4379634
(12/23/2010 - TX)
(NPHO)
MCCI of Texas Primary Care Group, PLLC
FEIN ID # 46-1846260
(01/07/2013 - TX)
Metropolitan Health Networks, Inc.
FEIN ID# 65-0635748
(01/16/1996-FL)
Continucare Corporation
FEIN ID # 59-2716023
(08/04/1986-FL)
MCCI Holdings, LLC
FEIN ID # 20-5569675
(08/30/2006-DE)
MCCI Group Holdings, LLC
FEIN ID# 20-5904436
(11/15/2006-DE)
Atlantis Physician Group, LLC
FEIN ID# 20-8662801
(03/16/2007 - DE)
MCCI Speciality, LLC
FEIN ID # 81-2957926
(06/06/2016 - FL)
RMA Medical Centers of Florida, LLC
FEIN ID # 90-1021973
(10/22/2013 - FL)
MCCI/Lifetime of Aventura, LLC
FEIN ID # 45-4493313
(02/08/2012 - FL)
Primary Care Specialists of the Palm Beaches, LLC
FEIN ID # 56-2655900
(03/16/2007 - DE)
RMA Medical Group of Florida, LLC
FEIN ID # 30-0806075
(11/15/2013 - FL)

As of 12.31.2018



As of 12 31 2018



OVERFLOW PAGE FOR WRITE-INS

NONE

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business 7
Assets 2
Cash Flow 6
Exhibit 1 - Enrollment By Product Type for Health Business Only 17
Exhibit 2 - Accident and Health Premiums Due and Unpaid 18
Exhibit 3 - Health Care Receivables 19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued 20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus 21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates 22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates 23
Exhibit 7 - Part 1 - Summary of Transactions With Providers 24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries 24
Exhibit 8 - Furniture, Equipment and Supplies Owned 25
Exhibit of Capital Gains (Losses) 15
Exhibit of Net Investment Income 15
Exhibit of Nonadmitted Assets 16
Exhibit of Premiums, Enrollment and Utilization (State Page) 30
Five-Year Historical Data 29
General Interrogatories 27
Jurat Page 1
Liabilities, Capital and Surplus 3
Notes To Financial Statements 26
Overflow Page For Write-ins 44
Schedule A - Part 1 ..... E01
Schedule A - Part 2 ..... E02
Schedule A - Part 3 ..... E03
Schedule A - Verification Between Years SI02
Schedule B - Part 1 ..... E04
Schedule B - Part 2 ..... E05
Schedule B - Part 3 ..... E06
Schedule B - Verification Between Years SI02
Schedule BA - Part 1 ..... E07
Schedule BA - Part 2 ..... E08
Schedule BA - Part 3 ..... E09
Schedule BA - Verification Between Years SI03
Schedule D - Part 1 ..... E10
Schedule D - Part 1A - Section 1 ..... SI05
Schedule D - Part 1A - Section 2 ..... SI08
Schedule D - Part 2 - Section 1 ..... E11
Schedule D - Part 2 - Section 2 ..... E12
Schedule D - Part 3 ..... E13
Schedule D - Part 4 ..... E14
Schedule D - Part 5 ..... E15
Schedule D - Part 6 - Section 1 ..... E16
Schedule D - Part 6 - Section 2 ..... E16
Schedule D - Summary By Country SI04
Schedule D - Verification Between Years SI03
Schedule DA - Part 1 ..... E17
Schedule DA - Verification Between Years SI10
Schedule DB - Part A - Section 1 ..... E18
Schedule DB - Part A - Section 2 ..... E19
Schedule DB - Part A - Verification Between Years SI11
Schedule DB - Part B - Section 1 ..... E20
Schedule DB - Part B - Section 2 ..... E21
Schedule DB - Part B - Verification Between Years SI11
Schedule DB - Part C - Section 1 ..... SI12
Schedule DB - Part C - Section 2 ..... SI13
Schedule DB - Part D - Section 1 ..... E22
Schedule DB - Part D - Section 2 ..... E23
Schedule DB - Verification SI14
Schedule DL - Part 1 ..... E24
Schedule DL - Part 2 ..... E25
Schedule E - Part 1 - Cash E26
Schedule E - Part 2 - Cash Equivalents E27
Schedule E - Part 2 - Verification Between Years SI15
Schedule E - Part 3 - Special Deposits E28

ANNUAL STATEMENT BLANK (Continued)

Schedule S - Part 1 - Section 2 31
Schedule S - Part 2 32
Schedule S - Part 3 - Section 2 33
Schedule S - Part 4 34
Schedule S - Part 5 35
Schedule S - Part 6 36
Schedule S - Part 7 37
Schedule T - Part 2 - Interstate Compact 39
Schedule T - Premiums and Other Considerations 38
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group 40
Schedule Y - Part 1A - Detail of Insurance Holding Company System 41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates 42
Statement of Revenue and Expenses 4
Summary Investment Schedule SI01
Supplemental Exhibits and Schedules Interrogatories 43
Underwriting and Investment Exhibit - Part 1 8
Underwriting and Investment Exhibit - Part 2 9
Underwriting and Investment Exhibit - Part 2A 10
Underwriting and Investment Exhibit - Part 2B 11
Underwriting and Investment Exhibit - Part 2C 12
Underwriting and Investment Exhibit - Part 2D 13
Underwriting and Investment Exhibit - Part 3 14