

QUARTERLY STATEMENT

OF THE

BLUE CROSS & BLUE SHIELD OF RHODE ISLAND

of PROVIDENCE COUNTY

in the state of RHODE ISLAND

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

June 30, 2016

HEALTH

2016



53473201620100102

QUARTERLY STATEMENT

AS OF JUNE 30, 2016
OF THE CONDITION AND AFFAIRS OF THE

BLUE CROSS & BLUE SHIELD OF RHODE ISLAND

NAIC Group Code	0000	0000	NAIC Company Code	53473	Employer's ID Number	05-0158952
	(Current Period)	(Prior Period)				
Organized under the Laws of	RHODE ISLAND			State of Domicile or Port of Entry	RHODE ISLAND	
Country of Domicile	USA					
Licensed as business type	Life, Accident & Health	[]	Property/Casualty	[]	Hospital, Medical & Dental Service or Indemnity	[X]
	Dental Service Corporation	[]	Vision Service Corporation	[]	Health Maintenance Organization	[]
	Other	[]	Is HMO Federally Qualified?	Yes [] No []		
Incorporated/Organized	February 27, 1939			Commenced Business	September 1, 1939	
Statutory Home Office	500 EXCHANGE STREET			PROVIDENCE, RI US 02903		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	500 EXCHANGE STREET					
	(Street and Number)					
	PROVIDENCE, RI US 02903			401-459-1000		
	(City or Town, State, Country and Zip Code)			(Area Code)	(Telephone Number)	
Mail Address	500 EXCHANGE STREET			PROVIDENCE, RI US 02903		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	500 EXCHANGE STREET			PROVIDENCE, RI US 02903	401-459-1000	
	(Street and Number)			(City or Town, State, Country and Zip Code)	(Area Code)	(Telephone Number)
Internet Website Address	WWW.BCBSRI.COM					
Statutory Statement Contact	MARK C. STEWART			401-459-5886		
	(Name)			(Area Code)	(Telephone Number)	
	MARK.STEWART@BCBSRI.ORG			401-459-1198		
	(E-Mail Address)			(Fax Number)		

OFFICERS

	Name	Title
1.	KIM A. KECK #	PRESIDENT & CEO
2.	MICHELE B. LEDERBERG	EVP. & GEN. COUNSEL
3.	MICHAEL W. HUDSON	EXECUTIVE VICE PRESIDENT & CFO

VICE-PRESIDENTS

Name	Title	Name	Title
CHRISTOPHER G. BUSH	VP - UNDERWRITING	MATTHEW COLLINS M.D.	VP - CLINICAL INTEGRATION
DEREK COSTA	VP - CHIEF INFORMATION OFFICER	MELISSA CUMMINGS	SVP - CHIEF CUSTOMER OFFICER
KATHERINE DALLOW M.D.	VP - CLINICAL AFFAIRS	JEREMY DUNCAN	VP - COMMUNICATIONS
MARC HUDAK	VP - CARE INNOVAT. & INTEGRATION	JEFFREY J. KOLARIK	VP - OPERATIONS
AUGUSTINE A. MANOCCHIA M.D.	SVP - CHIEF MEDICAL OFFICER	COREY R. MCCARTY	VP - CONSUMER SEGMENT
MONICA A. NERONHA	VP - LEGAL SERVICES	BRIAN M. O'MALLEY	VP - FINANCE
VISAEL RODRIGUEZ	VP - CHIEF DIVERSITY OFFICER	SAMUEL B. SLADE #	VP - EMPLOYER SEGMENT
MARK C. STEWART	SVP - ASSOCIATE CFO	MARK D. WAGGONER	SVP - CARE INTEGRATION & MGMT

DIRECTORS OR TRUSTEES

DENISE A. BARGE	NICHOLAS DENICE #	MICHAEL DICHIRO	SCOTT DUHAMEL
SCOTT GUNN	JAMES A. HARRINGTON	DONNA HUNTLEY-NEWBY	ELIZABETH B. LANGE M.D.
JOHN C. LANGENUS	WARREN E. LICHT M.D.	JOHN P. MAGUIRE	ROBERT G. NORTON
DEBRA PAUL	PETER QUATTROMANI	MERRILL SHERMAN	RANDY A. WYROFSKY

State of RHODE ISLAND

County of PROVIDENCE 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.

(Signature)	(Signature)	(Signature)
KIM A. KECK	MICHELE B. LEDERBERG	MICHAEL W. HUDSON
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
PRESIDENT & CEO	EVP. & GEN. COUNSEL	EXECUTIVE VICE PRESIDENT & CFO
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2016

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	257,200,267		257,200,267	319,019,113
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	81,399,249		81,399,249	35,387,361
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 71,267,254 encumbrances)	35,942,454		35,942,454	34,991,884
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ (11,819,010)), cash equivalents (\$ 168,789), and short-term investments (\$ 38,852,115)	27,201,894		27,201,894	4,634,263
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets	15,962,475		15,962,475	41,579,161
9. Receivables for securities	2,031,434		2,031,434	
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	419,737,773		419,737,773	435,611,782
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,416,641		1,416,641	1,529,790
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	72,341,986	3,308,918	69,033,068	49,820,033
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 22,997,550)	23,325,275	327,725	22,997,550	13,273,904
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	8,570,449		8,570,449	12,666,138
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	33,034,087		33,034,087	40,097,248
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	16,971,874	4,580,109	12,391,765	14,433,993
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	37,301,274	34,778,593	2,522,681	2,765,570
21. Furniture and equipment, including health care delivery assets (\$ 0)	4,389,014	4,389,014		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 19,596,283) and other amounts receivable	24,106,532	4,510,249	19,596,283	23,806,880
25. Aggregate write-ins for other than invested assets	53,707,624	22,880,955	30,826,669	29,703,808
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	694,902,529	74,775,563	620,126,966	623,709,146
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	694,902,529	74,775,563	620,126,966	623,709,146

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. OTHER RECEIVABLES	24,273,730		24,273,730	23,209,523
2502. PREPAID EXPENSES	22,470,585	22,470,585		
2503. FEP UNPAID CLAIMS	5,925,827		5,925,827	6,256,768
2598. Summary of remaining write-ins for Line 25 from overflow page	1,037,482	410,370	627,112	237,517
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	53,707,624	22,880,955	30,826,669	29,703,808

NONE

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	115,907,668		115,907,668	128,122,614
2. Accrued medical incentive pool and bonus amounts	25,290,986		25,290,986	14,839,049
3. Unpaid claims adjustment expenses	29,415,104		29,415,104	21,861,146
4. Aggregate health policy reserves, including the liability of \$ 0 for medical loss ratio rebate per the Public Health Service Act	21,822,747		21,822,747	21,437,726
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves	3,295,000		3,295,000	3,603,000
8. Premiums received in advance	24,686,669		24,686,669	16,998,131
9. General expenses due or accrued	69,530,578		69,530,578	37,089,968
10.1 Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized gains (losses))	56,448		56,448	380,526
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable	346,237		346,237	194,729
12. Amounts withheld or retained for the account of others	282,847		282,847	507,014
13. Remittances and items not allocated	2,188,510		2,188,510	1,744,365
14. Borrowed money (including \$ 60,000,000 current) and interest thereon \$ 343,038 (including \$ 343,038 current)	60,343,038		60,343,038	40,095,650
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities	1,430,259		1,430,259	89,477
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ 0 authorized reinsurers, \$ 0 unauthorized reinsurers, and \$ 0 certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$ 0) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans	22,837,714		22,837,714	33,072,432
23. Aggregate write-ins for other liabilities (including \$ 7,864,835 current)	12,221,406		12,221,406	9,938,420
24. Total liabilities (Lines 1 to 23)	389,655,211		389,655,211	329,974,247
25. Aggregate write-ins for special surplus funds	X X X	X X X		29,500,000
26. Common capital stock	X X X	X X X		
27. Preferred capital stock	X X X	X X X		
28. Gross paid in and contributed surplus	X X X	X X X		
29. Surplus notes	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds	X X X	X X X		
31. Unassigned funds (surplus)	X X X	X X X	230,471,755	264,234,899
32. Less treasury stock, at cost:				
32.1 0 shares common (value included in Line 26 \$ 0)	X X X	X X X		
32.2 0 shares preferred (value included in Line 27 \$ 0)	X X X	X X X		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	X X X	X X X	230,471,755	293,734,899
34. Total liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	620,126,966	623,709,146

DETAILS OF WRITE-IN LINES				
2301. OTHER ACCOUNTS PAYABLE	4,889,624		4,889,624	3,326,226
2302. UNFUNDED ACCUMULATED BENEFIT OBLIGATION	4,599,580		4,599,580	4,599,580
2303. ACCRUED CAPITAL EXPENSES	2,573,256		2,573,256	1,970,092
2398. Summary of remaining write-ins for Line 23 from overflow page	158,946		158,946	42,522
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	12,221,406		12,221,406	9,938,420
2501. PPACA HEALTH INSURER FEE 2015	X X X	X X X		29,500,000
2502.	X X X	X X X		
2503.	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page	X X X	X X X		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	X X X	X X X		29,500,000
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

NONE

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year	Prior Year Ended
	To Date		To Date	December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	X X X	2,026,575	2,119,350	4,219,900
2. Net premium income (including \$ 0 non-health premium income)	X X X	863,032,935	842,106,355	1,664,052,254
3. Change in unearned premium reserves and reserve for rate credits	X X X	(1,194,371)	(4,866,964)	(2,733,445)
4. Fee-for-service (net of \$ 0 medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X			
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Lines 2 to 7)	X X X	861,838,564	837,239,391	1,661,318,809
Hospital and Medical:				
9. Hospital/medical benefits		504,627,689	482,314,465	950,509,999
10. Other professional services		12,339,724	12,075,912	23,015,825
11. Outside referrals				
12. Emergency room and out-of-area		80,610,672	67,599,164	137,913,199
13. Prescription drugs		123,434,544	111,099,471	238,123,175
14. Aggregate write-ins for other hospital and medical		24,266,740	23,504,445	44,823,600
15. Incentive pool, withhold adjustments and bonus amounts		9,418,069	8,734,337	10,630,179
16. Subtotal (Lines 9 to 15)		754,697,438	705,327,794	1,405,015,977
Less:				
17. Net reinsurance recoveries		377,250	7,144,602	16,585,067
18. Total hospital and medical (Lines 16 minus 17)		754,320,188	698,183,192	1,388,430,910
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$ 13,270,755 cost containment expenses		32,823,551	38,270,266	75,948,457
21. General administrative expenses		114,739,751	102,528,013	175,298,154
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)				
23. Total underwriting deductions (Lines 18 through 22)		901,883,490	838,981,471	1,639,677,521
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(40,044,926)	(1,742,080)	21,641,288
25. Net investment income earned		1,486,173	895,421	2,316,909
26. Net realized capital gains (losses) less capital gains tax of \$ 0		1,992,266	11,078,146	8,243,719
27. Net investment gains (losses) (Lines 25 plus 26)		3,478,439	11,973,567	10,560,628
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ 0) (amount charged off \$ 0)]				
29. Aggregate write-ins for other income or expenses		(15,568,167)	(92,448,083)	(157,234,781)
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	(52,134,654)	(82,216,596)	(125,032,865)
31. Federal and foreign income taxes incurred	X X X		721,643	914,457
32. Net income (loss) (Lines 30 minus 31)	X X X	(52,134,654)	(82,938,239)	(125,947,322)

DETAILS OF WRITE-IN LINES				
0601.	X X X			
0602.	X X X			
0603.	X X X			
0698. Summary of remaining write-ins for Line 06 from overflow page	X X X			
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)	X X X			
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 07 from overflow page	X X X			
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 07 above)	X X X			
1401. MENTAL HEALTH		24,266,740	23,504,445	44,823,600
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)		24,266,740	23,504,445	44,823,600
2901. GOOD HEALTH BENEFIT REVENUE		1,352,071	1,425,208	2,806,622
2902. OTHER INCOME (NOTE RECEIVABLE)				6,167
2903. PREMIUM ASSISTANCE PROGRAM		902		1,522
2998. Summary of remaining write-ins for Line 29 from overflow page		(16,921,140)	(93,873,291)	(160,049,092)
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		(15,568,167)	(92,448,083)	(157,234,781)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	293,734,899	264,045,437	264,045,437
34. Net income or (loss) from Line 32	(52,134,654)	(82,938,239)	(125,947,322)
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 0	1,257,024	(6,771,769)	(11,787,921)
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax	(4,379,778)		21,351,652
39. Change in nonadmitted assets	(8,005,736)	82,719,766	164,958,121
40. Change in unauthorized and certified reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			(18,885,068)
48. Net change in capital and surplus (Lines 34 to 47)	(63,263,144)	(6,990,242)	29,689,462
49. Capital and surplus end of reporting period (Line 33 plus 48)	230,471,755	257,055,195	293,734,899

DETAILS OF WRITE-IN LINES			
4701. QUALIFIED PENSION EXPENSE TERMINATION SETTLEMENT			2,650,500
4702. NON-QUALIFIED PENSION PLAN			61,615
4703. CHANGE IN UNRECOGNIZED PRIOR SERVICE COST			
4798. Summary of remaining write-ins for Line 47 from overflow page			(21,597,183)
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)			(18,885,068)

CASH FLOW

	1	2	3
Cash from Operations	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums collected net of reinsurance	847,279,768	813,888,165	1,646,289,659
2. Net investment income	2,427,756	1,644,887	3,623,858
3. Miscellaneous income	(15,565,391)	(2,600,913)	(3,265,193)
4. Total (Lines 1 to 3)	834,142,133	812,932,139	1,646,648,324
5. Benefit and loss related payments	748,246,379	715,050,966	1,390,027,018
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	116,703,859	120,978,396	233,583,663
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	324,078	466,300	725,819
10. Total (Lines 5 through 9)	865,274,316	836,495,662	1,624,336,500
11. Net cash from operations (Line 4 minus Line 10)	(31,132,183)	(23,563,523)	22,311,824
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	214,209,636	47,841,136	65,981,170
12.2 Stocks	22,620,870	41,257,832	44,449,419
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets	30,343,503	19,125,707	48,957,275
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	267,174,009	108,224,675	159,387,864
13. Cost of investments acquired (long-term only):			
13.1 Bonds	152,205,321	58,510,264	129,002,482
13.2 Stocks	66,264,855	8,834,751	11,945,443
13.3 Mortgage loans			
13.4 Real estate	2,206,218	45,222	3,408,420
13.5 Other invested assets	4,840,081	385,279	6,860,221
13.6 Miscellaneous applications	2,031,434	6,000,000	
13.7 Total investments acquired (Lines 13.1 to 13.6)	227,547,909	73,775,516	151,216,566
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	39,626,100	34,449,159	8,171,298
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds	20,247,388	10,016,950	(9,956,500)
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(6,173,674)	(14,181,202)	(23,130,473)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	14,073,714	(4,164,252)	(33,086,973)
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)	22,567,631	6,721,384	(2,603,851)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	4,634,263	7,238,114	7,238,114
19.2 End of period (Line 18 plus Line 19.1)	27,201,894	13,959,498	4,634,263

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

20.0001			
20.0002			
20.0003			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	334,034	23,582	136,039	23,661		19,110	22,615	52,379		56,648
2. First Quarter	339,136	27,805	137,385	23,579		18,016	22,639	52,579		57,133
3. Second Quarter	338,414	28,453	135,984	23,583		17,777	22,559	52,760		57,298
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	2,026,575	164,679	817,319	141,684		107,858	135,728	315,812		343,495
Total Member Ambulatory Encounters for Period:										
7. Physician	907,203	76,266	383,331				80,102	367,504		
8. Non-Physician	630,684	62,788	277,237				56,578	234,081		
9. Totals	1,537,887	139,054	660,568				136,680	601,585		
10. Hospital Patient Days Incurred	56,762	2,559	26,012				1,085	27,106		
11. Number of Inpatient Admissions	12,931	649	6,231				407	5,644		
12. Health Premiums Written (a)	863,084,076	70,966,676	387,322,167	28,159,272		15,473,739	54,921,452	293,497,240		12,743,530
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	861,838,564	70,678,564	387,322,168	28,159,272		15,473,739	54,921,452	293,497,240		11,786,129
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	730,362,930	63,426,095	301,823,106	24,105,277		12,478,464	49,345,656	272,314,419		6,869,913
18. Amount Incurred for Provision of Health Care Services	754,697,438	61,769,105	328,027,055	24,546,170		12,339,724	49,241,322	270,968,586		7,805,476

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

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

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	49,769,762	338,903,411	3,726,432	57,121,419	53,496,194	70,071,631
2. Medicare Supplement	5,072,468	19,032,809	149,904	5,767,096	5,222,372	5,548,000
3. Dental only	1,648,475	10,829,989	66,477	1,638,523	1,714,952	1,837,000
4. Vision only						
5. Federal Employees Health Benefits Plan	6,810,710	42,534,946	340,835	6,974,132	7,151,545	7,419,301
6. Title XVIII - Medicare	40,668,266	231,646,153	2,370,376	39,682,392	43,038,642	45,544,244
7. Title XIX - Medicaid						
8. Other health	2,179,766	4,690,147	226,426	1,138,657	2,406,192	1,305,438
9. Health subtotal (Lines 1 to 8)	106,149,447	647,637,455	6,880,450	112,322,219	113,029,897	131,725,614
10. Health care receivables (a)	6,397,556	17,708,976			6,397,556	27,770,640
11. Other non-health						
12. Medical incentive pools and bonus amounts	432,560	250,000	13,285,849	12,005,136	13,718,409	14,839,049
13. Totals (Lines 9 - 10 + 11 + 12)	100,184,451	630,178,479	20,166,299	124,327,355	120,350,750	118,794,023

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

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

- (1) The annual statement has been completed in accordance with the NAIC Accounting Practices and Procedures manual and as prescribed by the State of Rhode Island Department of Business Regulation – Insurance Division.
- (2) The Plan's 2nd Qtr 2016 annual statement excludes Administrative Service Contract (ASC) business from revenue, and medical and hospital claims. The ASC reimbursement has been classified as a reduction to claims adjustment and general administrative expenses.
- (3) Effective for 2006, the Plan obtained a permitted practice to recognize a liability for premium assistance for direct pay subscribers in addressing healthcare affordability. The liability at June 30, 2016 and December 31, 2015 was \$0 and \$0, respectively.

Also, effective for 2009, the Plan obtained a permitted practice to depreciate blue-transit software over 15 years instead of the prescribed 5 years. The Plan has revised the useful life of its BlueTransIT computer system effective January 1, 2015. This was based upon the State of Rhode Island Office of Health Insurance Commissioner modifying the cost recovery duration of BlueTransIT. The useful life has been revised from fifteen years to three years.

The Plan implemented the BlueTransIT computer system for membership and claims processing in September 2009. The BlueTransIT system replaced the current legacy system in 2015.

As a result of the substantial migration of the Plan's product lines and the future expected economic benefit to the organization, the BlueTransIT useful life was revised to a shorter duration to three years in 2015.

The impact on financial results in revising the useful life to three years resulted in an \$89.8 million charge to earnings in 2015. This was included on the 2015 Statement of Revenue page 4. However, there was no impact to reserves due to a corresponding decrease in software non-admitted assets. Also, this financial transaction did not trigger a company action level per the risk based capital calculation in the derivation of the authorized control level 2015.

<u>NET INCOME</u>	State	<u>June 30, 2016</u>	<u>Dec 31, 2015</u>
(1) The Plan's state basis (RI)	RI	\$(52,134,654)	\$(125,947,322)
(2) State prescribed practice that increase/(decrease) NAIC SAP			
(3) State permitted practice that increase/(decrease) NAIC SAP income			
- Depreciation of software	RI	--	--
- Premium Assistance Program	RI	--	--
(4) NAIC SAP	RI	<u>\$(52,134,654)</u>	<u>\$(125,947,322)</u>
 <u>SURPLUS</u>			
(5) The Plan's state basis (RI)	RI	\$230,471,755	\$293,734,899
(6) State prescribed practice that increase/(decrease) NAIC SAP			
(7) State permitted practice that increase/(decrease) NAIC SAP reserves			
- Premium Assistance Program	RI	--	--
(8) NAIC SAP	RI	<u>\$230,471,755</u>	<u>\$293,734,899</u>

C. Accounting Policy

- (6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair market value. The prospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative.

D. Going Concern

The Plan is not considered a going concern for the 2nd Qtr ended June 30, 2016.

2. Accounting Changes and Correction of Errors

- no significant change

NOTES TO FINANCIAL STATEMENTS

3. Business Combinations and Goodwill

- no significant change

4. Discontinued Operations

- no significant change

5. Investments

D. Loan-Backed Securities

(1) The Plan utilizes the prospective method for loan backed securities. The Plan obtains the prepayment assumptions for mortgage-backed/asset-backed securities from the following hierarchy: Bloomberg median speed; if none, then 6 month historical CPR; if none, then YieldBook prepayment model that runs fixed rate MBS at 100% of the model and Hybrid Arms at 100% of MTB (Model to Balloon). CMBS are run at a 0% constant prepayment rate. If this information is not obtainable from one of these sources then analysts determine the cash flows to be used. The Plan utilizes the fair market value as published by the NAIC Valuation Securities Manual. If the rate is not published by the Securities Valuation Office (SVO), the security is carried at amortized value in accordance with NAIC guidelines.

(2) The Plan did not recognize other-than-temporary impairment (OTTI) for loan-backed securities for June 30, 2016

	1	2	3
	Amortized Cost Basis Before other-than- Temporary- Impairment	Other-than- Temporary- Impairment Recognized in loss	Fair Value 1 - 2
OTTI recognized 1 st Qtr			
a. Intent to sell	--	--	--
b. Total 1 st Qtr	--	--	--
c. Annual Aggregate Total	--	--	--
OTTI recognized 2 nd Qtr			
d. Intent to sell	--	--	--
e. Total 2 nd Qtr	--	--	--
f. Annual Aggregate Total	--	--	--

(3) The Plan did not recognize OTTI for loan-backed securities for June 30, 2016 see table below:

1	2	3	4	5	6	7
Cusip	Book Adjusted Carrying Value Before Current Period OTTI	Present Value of Projected Cash Flow	Recognized other-than- Temporary Impairment	Amortized Cost after Other- Than-Temporary Impairment	Fair Value time of OTTI	Date of Financial where Reported
N/A	N/A	N/A	N/A	N/A	N/A	N/A

(4) Loan-backed securities with unrealized losses as of June 30, 2016:

Loan-Backed Securities

a. The aggregate amount of unrealized losses:

1. Less than 12 Months \$10,151
2. 12 Months or Longer \$0

b. The aggregate related fair value of securities

with unrealized losses:

1. Less than 12 Months \$7,570,504
2. 12 Months or Longer \$0

NOTES TO FINANCIAL STATEMENTS

(5) The evaluation of impairments is a quantitative and qualitative process, which is subject to risks and uncertainties and is intended to determine whether declines in the fair value of investments should be recognized in the current period. The risks and uncertainties include changes in general economic conditions, the issuer's financial condition or near term recovery prospects, the effects of changes in interest rates or credit spreads and the recovery period. As of June 30, 2016, the Plan does not consider loan-backed securities in an unrealized loss position to be other-than-temporarily impaired as reported in the table above.

E. Repurchase Agreements

3) The Plan has not accepted any collateral.

I. The Plan does not have any Working capital Finance Investments.

J. The Plan does not offset Assets and Liabilities of Investments.

6. Joint Ventures, Partnerships and Limited Liability Companies

- no significant change

7. Investment Income

- no significant change

8. Derivative Instruments

- no significant change

9. Income Taxes

- no significant change

10. Information Concerning Parent, Subsidiaries and Affiliates

- no significant change

11. Debt

- no significant change

B. The Plan does not have any Federal Home Loan Bank agreements.

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

A)

(4) Net periodic pension cost for January – June 30, 2016 and 2015 included the following components:

	(In Thousands)					
	Defined Benefit Plan		SERP		Postretirement	
	<u>6/30/16</u>	<u>6/30/15</u>	<u>6/30/16</u>	<u>6/30/15</u>	<u>6/30/16</u>	<u>6/30/15</u>
a. Service cost	\$ --	\$ 112	\$ N/A	\$ --	\$ N/A	\$ --
b. Interest cost	--	4,474	N/A	84	N/A	299
c. Expected return on plan assets	--	(6,353)	N/A	--	N/A	--
d. Transition asset or obligation	--	--	N/A	--	N/A	--
e. Gains and losses	--	--	N/A	--	N/A	190
f. Prior service cost or credit	--	--	N/A	--	N/A	(106)
g. G/L due to settlement or curtailment	--	--	N/A	28	N/A	--
h. Net periodic pension cost	<u>\$ --</u>	<u>\$ (1,767)</u>	<u>\$ N/A</u>	<u>\$ 112</u>	<u>\$ N/A</u>	<u>\$ 383</u>

The SERP and postretirement periodic pension cost for the period ended June 30, 2016 is unavailable at this time.

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

NOTES TO FINANCIAL STATEMENTS

- no significant change

14. Contingencies

- no significant change

15. Leases

- no significant change

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

- no significant change

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

- no significant change

- 17B(2)b, 17B(4)a, 17B(4)b, 17C

The Plan did not have a sale, transfer and servicing of financial assets and extinguishments of liabilities.

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

A) The Plan is not an ASO Administrator for uninsured A&H Plans and the uninsured portion of partially insured plans.

B) The Plan is an ASC Administrator for uninsured A&H Plans and the uninsured portion of partially insured plans.

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during January – June 30, 2016:

	<u>ASC</u> <u>Uninsured</u> <u>Plans</u>	<u>Uninsured</u> <u>Portion of</u> <u>Partially</u> <u>Insured Plans</u>	<u>Total</u> <u>ASC</u>
a. Gross reimbursement for medical cost incurred	\$374,452,952	--	\$374,452,952
b. Gross administrative fees accrued	<u>30,274,135</u>	--	<u>30,274,135</u>
c. Total revenue	404,727,087	--	404,727,087
d. Claims incurred	374,452,952	--	374,452,952
e. Variable cost	<u>8,917,692</u>	--	<u>8,917,692</u>
f. Contribution to fixed overhead	21,356,443	--	21,356,443
g. Total fixed overhead	<u>25,381,123</u>	--	<u>25,381,123</u>
h. Total net gain or (loss) from operations	<u>(4,024,680)</u>	--	<u>(4,024,680)</u>

NOTES TO FINANCIAL STATEMENTS

C) The Plan has a Medicare or similarly structured cost based reimbursement contract during 2016 and 2015.

The Medicare Part D program is a partially insured plan.

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

- no significant change

20. Fair Value Measurements

A1) The following table provides information as of June 30, 2016 about the Plan's financial assets and liabilities measured at fair value on a recurring basis.

	Level 1	Level 2	Level 3	Total
Assets				
Bonds	\$ --	\$162,788,967	\$ --	\$162,788,967
Equity securities	<u>\$ 69,636,855</u>	<u>\$ 9,495,708</u>	<u>\$ 2,266,687</u>	<u>\$ 81,399,250</u>
Total Assets	<u>\$ 69,636,855</u>	<u>\$172,284,675</u>	<u>\$ 2,266,687</u>	<u>\$244,188,217</u>

The fair value of the Plan's equity securities categorized as Level 1 is based on quoted market prices for identical securities traded in active markets that are readily and regularly available to the Plan.

The fair value of the Plan's equity securities classified as Level 3 consist of private placement stocks for three companies for which there are limited or no observable valuation inputs. The fair value of these Level 3 equities is based upon analytics derived by the respective companies for which a fair value per share is published in the Securities Valuation Office manual.

A2) The following table presents the changes in our equity securities classified as Level 3 for the year-ended June 30, 2016.

	Beginning Balance 1/1/2016	Total gains and (losses) included in Net Income	Total gains and losses included in Surplus	Purchases	Sales	Ending Balance at 6/30/2016
Assets						
Private Equity	<u>\$2,266,687</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$2,266,687</u>
Total Assets	<u>\$2,266,687</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$2,266,687</u>

There were unrealized losses of \$0 attributable to the change in net unrealized losses relating to assets still held.

A3) There were no transfers between levels as of June 30, 2016.

A4 & A5) Included in various investment related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stock when carried at the lower of cost or market.

The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties, that is, other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties, that is, other than in a forced or liquidation sale.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporating current market inputs for similar financial instruments with comparable terms and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Plan estimates fair value using methods, models and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology, model or input used.

NOTES TO FINANCIAL STATEMENTS

The Plan's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by FASB ASC 820, *Fair Value Measurements and Disclosures*. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

- Level 1 - Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.
- Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.
- Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Plan's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

B) Not applicable.

C)	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Assets						
Bonds	\$162,788,967	\$162,788,967	\$ - -	\$162,788,967	\$ - -	\$ - -
Equity securities	\$ 81,399,250	\$ 81,399,250	\$ 69,636,855	\$ 9,495,708	\$ 2,266,687	\$ - -
Total Assets	<u>\$244,188,217</u>	<u>\$244,188,217</u>	<u>\$ 69,636,855</u>	<u>\$172,284,675</u>	<u>\$ 2,266,687</u>	<u>\$ - -</u>

D) Not required for not practicable (carrying value assets)

21. Other Items

- no significant change

22. Events Subsequent

- no significant change

23. Reinsurance

- no significant change

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

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

Effective January 1, 2014, the ACA imposed fees and premium stabilization provisions on health insurance issuers offering commercial health insurance. The three premium stabilization programs are commonly referred to as the 3R's – risk adjustment, risk corridor and reinsurance.

Risk Adjustment- This permanent program is designed to mitigate the potential impact of adverse selection and provide stability for health insurance issuers and applies to all non-grandfathered plans in the individual and small group markets both on and off the insurance exchanges. Premium adjustments pursuant to the risk adjustment program are accounted for as premium subject to redetermination and user fees are accounted for as assessments.

Risk Corridor – This temporary program is designed to provide aggregate protection for variability for issuers in the individual and small group markets during the 2014 to 2016 time period and applies to qualified health plans (QHPs) in the individual and small group markets both on and off the insurance exchanges. Premium adjustments pursuant to the risk corridor program are accounted for as premium adjustments for retrospectively rated contracts.

NOTES TO FINANCIAL STATEMENTS

Reinsurance – This temporary program from 2014 – 2016 is designed to protect issuers in the individual market both on and off exchange from anticipated increases in high cost claimants due to the elimination of the pre-existing condition limitation. The traditional reinsurance program applies to all issuers of major medical commercial products and third party administrators. Contributions attributable to enrollees in individual plans, including program administrative costs are accounted for as ceded premium and payments received are accounted for as ceded benefit recoveries. The amount of the individual contributions assigned for the U. S Treasury is accounted for as an assessment. Contributions initiated for enrollees in fully insured plans other than individual plans, including administrative costs and payments to the U. S. Treasury, are recorded as assessments.

The plan has accident and health insurance premiums for 2nd Qtr 2016 subject to the risk sharing provisions of ACA.

- (1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk sharing provisions (YES/NO)? YES

The Plans risk corridor program calculation resulted in recording neither a receivable or a payable.

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

a. Permanent ACA Risk Adjustment Program

Assets

1) Premium adjustments receivable due to ACA Risk Adjustment \$22,267,550

Liabilities

2) Risk adjustment user fees payable for ACA Risk Adjustment \$136,618

3) Premium adjustments payable due to ACA Risk Adjustment \$0

Operations (Revenue & Expense)

4) Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment \$9,503,646

5) Reported in expenses as ACA risk adjustment user fees (incurred/paid) \$64,564

b. Transitional ACA Reinsurance Program

Assets

1) Amounts recoverable for claims paid due to ACA Reinsurance \$8,170,936

2) Amounts recoverable for claims unpaid due to ACA Reinsurance \$0

3) Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance \$0

Liabilities

4) Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium \$4,193,299

5) Ceded reinsurance premiums payable due to ACA Reinsurance \$288,112

6) Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance \$112,992

Operations (Revenue & Expense)

7) Ceded reinsurance premiums due to ACA Reinsurance \$288,112

8) Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments \$377,250

9) ACA Reinsurance contributions – not reported as ceded premium \$2,183,093

c. Temporary ACA Risk Corridors Program

Assets

1) Accrued retrospective premium due to ACA Risk Corridors \$0

Liabilities

2) Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors \$0

Operations (Revenue & Expense)

3) Effect of ACA Risk Corridors on net premium income (paid/received) \$0

4) Effect of ACA Risk Corridors on change in reserves for rate credits \$0

- (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance. Table in (\$000)

Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date	
1	2	3	4	Prior Year Accrued Less Payments (Col 1 - 3) 5	Prior Year Accrued Less Payments (Col 2 - 4) 6	To Prior Year Balances 7	To Prior Year Balances 8	Cumulative Balance from Prior Years (Col 1-3+7) 9	Cumulative Balance from Prior Years (Col 2-4+8) 10

NOTES TO FINANCIAL STATEMENTS

	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$12,764	\$ --	\$ --	\$ --	\$12,764	\$ --	\$2,831	\$ --	A	\$15,595	\$ --
2. Premium adjustments (payable)	--	(72)	--	--	--	(72)	--	--	B	--	(72)
3. Subtotal ACA Permanent Risk Adjustment Program	12,764	(72)	--	--	12,764	(72)	2,831	--		15,595	(72)
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	11,297	--	3,503	--	7,794	--	(1,199)	--	C	6,595	--
2. Amounts recoverable for claims unpaid (contra liability)	1,262	--	1,262	--	--	--	--	--	D	--	--
3. Amounts receivable relating to uninsured plans	--	--	--	--	--	--	--	--	E	--	--
4. Liabilities for contributions payable due to ACA Reinsurance-not reported as ceded premiums	--	(7,209)	--	(5,407)	--	(1,802)	--	--	F	--	(1,802)
5. Ceded reinsurance premiums payable	--	(831)	--	(624)	--	(207)	--	--	G	--	(207)
6. Liability for amounts held under uninsured plans	--	(451)	--	(339)	--	(113)	--	--	H	--	(113)
7. Subtotal ACA Transitional Reinsurance Program	12,559	(8,493)	4,765	(6,370)	7,794	(2,123)	(1,199)	--		6,595	(2,123)
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	--	--	--	--	--	--	--	--	I	--	--
2. Reserve for rate credits of policy experience rating refunds	--	--	--	--	--	--	--	--	J	--	--
3. Subtotal ACA Risk Corridors Program	--	--	--	--	--	--	--	--		--	--
d. Total for ACA Risk Sharing Provisions	25,323	(8,565)	4,765	(6,370)	20,558	(2,195)	1,633	--		22,190	(2,195)

Explanations of Adjustments

- A Risk Adjuster updated based on 12/31/2015 HHS Notification
- B Risk Adjuster updated based on 12/31/2015 HHS Notification
- C Reinsurance updated based on 12/31/2015 HHS Notification
- D Non Applicable
- E Non Applicable
- F Non Applicable
- G Non Applicable
- H Non Applicable
- I Non Applicable
- J Non Applicable

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2015 were \$153,587,000. As of June 30, 2016, \$108,519,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$8,587,000 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on Comprehensive and Medicare lines of insurance. Therefore, there has been a \$2,677,000 unfavorable prior-year development since December 31, 2015 to June 30, 2016. 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 Plan did not experience prior year claim development on retrospectively rated policies.

26. Intercompany Pooling Arrangements

- no significant change

27. Structured Settlements

Not Applicable for Health Insurance entities.

28. Health Care Receivables

- no significant change

29. Participating Policies

Participating policies do not apply to the Plan.

30. Premium Deficiency Reserves

- no significant change

NOTES TO FINANCIAL STATEMENTS

31. Anticipated Salvage and Subrogation

- no significant change

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change: _____

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No [X]

If yes, complete Schedule Y, Parts 1, and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____ 12/31/2013 _____

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. _____ 12/31/2013 _____

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____ 10/19/2014 _____

6.4 By what department or departments?
 RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION - INSURANCE DIVISION

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] N/A []

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

GENERAL INTERROGATORIES

7.2 If yes, give full information

.....

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

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

.....

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

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

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

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

- (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.

Yes [X] No []

9.11 If the response to 9.1 is No, please explain:

.....

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

.....

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

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ _____

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

GENERAL INTERROGATORIES

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

.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ _____

13. Amount of real estate and mortgages held in short-term investments: \$ _____

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No [X]

14.2 If yes, please complete the following:

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

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

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

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

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.3 Total payable for securities lending reported on the liability page	\$ _____

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

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

1 Name of Custodian(s)	2 Custodian Address
STATE STREET BANK	200 CLARENDON ST., BOSTON, MA 02111
.....

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

GENERAL INTERROGATORIES

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
107423	CONNING ASSET MANAGEMENT	ONE FINANCIAL PLAZA, HARTFORD, CT 06103
115093	CAMBIAR INVESTORS	2401 EAST SECOND AVE., SUITE 500
115093	CAMBIAR INVESTORS	DENVER, CO 80206
104945	LONGFELLOW INVESTMENT MANAGEME	20 WINTHROP SQUARE, 2ND FLOOR
104945	LONGFELLOW INVESTMENT MANAGEME	BOSTON, MA 02110

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

Yes [X] No []

18.2 If no, list exceptions:

.....

.....

.....

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
- | | |
|---|---------|
| 1.1 A&H loss percent | 89.06 % |
| 1.2 A&H cost containment percent | 1.54 % |
| 1.3 A&H expense percent excluding cost containment expenses | 15.58 % |
- 2.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ _____
- 2.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ _____

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

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

SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

States, Etc.	1	Direct Business Only								
		Active Status	2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property / Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama	AL	N								
2. Alaska	AK	N								
3. Arizona	AZ	N								
4. Arkansas	AR	N								
5. California	CA	N								
6. Colorado	CO	N								
7. Connecticut	CT	N								
8. Delaware	DE	N								
9. District of Columbia	DC	N								
10. Florida	FL	N								
11. Georgia	GA	N								
12. Hawaii	HI	N								
13. Idaho	ID	N								
14. Illinois	IL	N								
15. Indiana	IN	N								
16. Iowa	IA	N								
17. Kansas	KS	N								
18. Kentucky	KY	N								
19. Louisiana	LA	N								
20. Maine	ME	N								
21. Maryland	MD	N								
22. Massachusetts	MA	N								
23. Michigan	MI	N								
24. Minnesota	MN	N								
25. Mississippi	MS	N								
26. Missouri	MO	N								
27. Montana	MT	N								
28. Nebraska	NE	N								
29. Nevada	NV	N								
30. New Hampshire	NH	N								
31. New Jersey	NJ	N								
32. New Mexico	NM	N								
33. New York	NY	N								
34. North Carolina	NC	N								
35. North Dakota	ND	N								
36. Ohio	OH	N								
37. Oklahoma	OK	N								
38. Oregon	OR	N								
39. Pennsylvania	PA	N								
40. Rhode Island	RI	L	514,320,915	293,338,879		54,921,452		862,581,246		
41. South Carolina	SC	N								
42. South Dakota	SD	N								
43. Tennessee	TN	N								
44. Texas	TX	N								
45. Utah	UT	N								
46. Vermont	VT	N								
47. Virginia	VA	N								
48. Washington	WA	N								
49. West Virginia	WV	N								
50. Wisconsin	WI	N								
51. Wyoming	WY	N								
52. American Samoa	AS	N								
53. Guam	GU	N								
54. Puerto Rico	PR	N								
55. U.S. Virgin Islands	VI	N								
56. Northern Mariana Islands	MP	N								
57. Canada	CAN	N								
58. Aggregate other alien	OT	X X X								
59. Subtotal		X X X	514,320,915	293,338,879		54,921,452		862,581,246		
60. Reporting entity contributions for Employee Benefit Plans		X X X	344,469	158,361				502,830		
61. Totals (Direct Business)		(a) 1	514,665,384	293,497,240		54,921,452		863,084,076		

DETAILS OF WRITE-INS	1	2	3	4	5	6	7	8	9
58001.	X X X								
58002.	X X X								
58003.	X X X								
58998. Summary of remaining write-ins for Line 58	X X X								
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

NONE

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

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

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

PART 1 - ORGANIZATIONAL CHART

NONE

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1 Group Code	2 Group Name	3 NAIC Company Code	4 ID Number	5 Federal RSSD	6 CIK	7 Name of Securities Exchange if Publicly Traded (U.S. or International)	8 Names of Parent, Subsidiaries Or Affiliates	9 Domiciliary Location	10 Relationship to Reporting Entity	11 Directly Controlled by (Name of Entity / Person)	12 Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	13 If Control is Ownership Provide Percentage	14 Ultimate Controlling Entity(ies)/Person(s)	15 *
0	BLUE CROSS & BLUE SHIELD OF RHODE ISLAND	53473	05-0158952	0	0		BLUE CROSS & BLUE SHIELD OF RHODE ISLAND	RI	PAR	BLUE CROSS & BLUE SHIELD OF RHODE ISLAND	BOARD OF DIRECTORS		BOARD OF DIRECTORS	0

16

Asterik	Explanation
	NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

Response

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

..... YES

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

	Current Year			Prior Year
	1	2	3	4
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. LEASEHOLD IMPROVEMENTS	410,370	410,370		
2505. PBM IMPLEMENTATION COST RECOVERY	389,091		389,091	
2506. COLLATERAL FUND HOME & HOST	238,021		238,021	237,517
2597. Totals (Lines 2501 through 2596) (Page 2, Line 2598)	1,037,482	410,370	627,112	237,517

OVERFLOW PAGE FOR WRITE-INS

Page 3 - Continuation

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
WRITE-INS AGGREGATED AT LINE 23 FOR OTHER LIABILITIES				
2304. FEP & MISCELLANEOUS CLAIMS PAYABLES	158,946		158,946	42,522
2397. Totals (Lines 2304 through 2396) (Page 3, Line 23)	158,946		158,946	42,522

OVERFLOW PAGE FOR WRITE-INS**Page 4 - Continuation****STATEMENT OF REVENUE AND EXPENSES**

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
REMAINING WRITE-INS AGGREGATED AT LINE 29 FOR GAINS AND LOSSES IN SURPLUS				
2904. INDIGO COMMISSIONS		3,315		
2905. INTEREST INCOME (NET OF PENALTIES)		(11,398)	(4,550)	(19,242)
2906. INTEREST EXPENSE IRS		(2,776)		(68,073)
2907. INTEREST EXPENSE TENANT COMMISSIONS			(69,093)	(69,093)
2908. BANK SERVICE CHARGES		(150,958)	(163,643)	(325,661)
2909. INTEREST EXPENSE LINE OF CREDIT		(465,203)	(444,585)	(747,684)
2910. HEALTH INFORMATION EXCHANGE		(1,493,436)	(1,693,752)	(1,693,752)
2911. GOOD HEALTH BENEFIT EXPENSE		(1,800,684)	(1,650,499)	(3,224,072)
2912. PENSION TERMINATION SETTLEMENT				(64,054,346)
2913. BLUETRANSIT CHANGE IN USEFUL LIFE			(89,847,169)	(89,847,169)
2914. PBM TERMINATION FEE		(13,000,000)		
2997. Totals (Lines 2904 through 2996) (Page 4, Line 2998)		(16,921,140)	(93,873,291)	(160,049,092)

OVERFLOW PAGE FOR WRITE-INS

Page 5 - Continuation

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
REMAINING WRITE-INS AGGREGATED AT LINE 47 FOR OTHER OPERATING INCOME	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
4704. OTHER POSTEMPLOYMENT BENEFITS			(981,102)
4705. CHANGE IN OTHER COMPREHENSIVE INCOME (QUALIFIED PENSION PLAN)			(20,616,081)
4797. Totals (Lines 4704 through 4796) (Page 4, Line 4798)			(21,597,183)

SCHEDULE A - VERIFICATION**Real Estate**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	34,991,883	34,089,466
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition	198,612	395,393
3. Current year change in encumbrances	2,007,607	3,013,027
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation	1,255,649	2,506,003
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)	35,942,453	34,991,883
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)	35,942,453	34,991,883

SCHEDULE B - VERIFICATION**Mortgage Loans**

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

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

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	41,579,161	85,786,452
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	4,840,081	6,860,222
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	314,213	(2,982,932)
6. Total gain (loss) on disposals	(427,478)	2,096,790
7. Deduct amounts received on disposals	30,343,502	48,957,275
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		1,224,096
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	15,962,475	41,579,161
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	15,962,475	41,579,161

SCHEDULE D - VERIFICATION**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	354,406,472	326,826,776
2. Cost of bonds and stocks acquired	218,470,170	140,947,921
3. Accrual of discount	90,925	60,169
4. Unrealized valuation increase (decrease)	942,810	(8,804,992)
5. Total gain (loss) on disposals	2,417,025	10,930,241
6. Deduct consideration for bonds and stocks disposed of	236,830,505	110,430,585
7. Deduct amortization of premium	897,383	1,563,841
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		3,559,217
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	338,599,514	354,406,472
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	338,599,514	354,406,472

SCHEDULE D - PART 1B

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

S102

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	291,428,180	158,291,522	182,496,594	(414,237)	291,428,180	266,808,871		281,928,140
2. NAIC 2 (a)	34,894,486	4,540,258	10,121,383	(69,850)	34,894,486	29,243,511		42,717,701
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	326,322,666	162,831,780	192,617,977	(484,087)	326,322,666	296,052,382		324,645,841
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	326,322,666	162,831,780	192,617,977	(484,087)	326,322,666	296,052,382		324,645,841

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated, short-term and cash-equivalent bonds by NAIC designation:

NAIC 1 \$ 6,544,948; NAIC 2 \$ 626,316; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	38,852,115	X X X	38,869,687	16,995	19,225

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	5,626,730	9,616,487
2. Cost of short-term investments acquired	412,687,094	181,248,392
3. Accrual of discount	5,179	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	2,719	
6. Deduct consideration received on disposals	379,442,450	185,238,149
7. Deduct amortization of premium	27,156	
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	38,852,116	5,626,730
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	38,852,116	5,626,730

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)		
2.	Cost Paid/(Consideration Received) on additions		
3.	Unrealized Valuation increase/(decrease)		
4.	Total gain (loss) on termination recognized	NONE	
5.	Considerations received/(paid) on terminations		
6.	Amortization		
7.	Adjustment to the Book/Adjusted Carrying Value of hedged item		
8.	Total foreign exchange change in Book/Adjusted Carrying Value		
9.	Book/Adjusted Carrying Value at End of Current Period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8)		
10.	Deduct nonadmitted assets		
11.	Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE DB - PART B - VERIFICATION

Future Contracts

1.	Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)		
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column)		
3.1	Add:		
	Change in variation margin on open contracts - Highly Effective Hedges		
3.11	Section 1, Column 15, current year to date minus		
3.12	Section 1, Column 15, prior year		
	Change in variation margin on open contracts - All Other		
3.13	Section 1, Column 18, current year to date minus		
3.14	Section 1, Column 18, prior year		
3.2	Add:		
	Change in adjustment to basis of hedged item		
3.21	Section 1, Column 17, current year to date minus		
3.22	Section 1, Column 17, prior year		
	Change in amount recognized		
3.23	Section 1, Column 19, current year to date minus	NONE	
3.24	Section 1, Column 19, prior year		
3.3	Subtotal (Line 3.1 minus Line 3.2)		
4.1	Cumulative variation margin on terminated contracts during the year		
4.2	Less:		
4.21	Amount used to adjust basis of hedged item		
4.22	Amount recognized		
4.3	Subtotal (Line 4.1 minus Line 4.2)		
5.	Dispositions gains (losses) on contracts terminated in prior year:		
5.1	Total gain (loss) recognized for terminations in prior year		
5.2	Total gain (loss) adjusted into the hedged item(s) for terminations in prior year		
6.	Book/Adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2)		
7.	Deduct total nonadmitted amounts		
8.	Statement value at end of current period (Line 6 minus Line 7)		

SCHEDULE DB - PART C - SECTION 1

Replication (Synthetic Asset) Transactions Open as of Current Statement Date

Replicated (Synthetic Asset) Transactions								Components of the Replication (Synthetic Asset) Transactions							
1	2	3	4	5	6	7	8	Derivative Instrument(s) Open			Cash Instrument(s) Held				
Number	Description	NAIC Designation or Other Description	Notional Amount	Book/Adjusted Carrying Value	Fair Value	Effective Date	Maturity Date	9	10	11	12	13	14	15	16
								Description	Book/Adjusted Carrying Value	Fair Value	CUSIP	Description	NAIC Designation or Other Description	Book/Adjusted Carrying Value	Fair Value
NONE															
9999999	Totals					XXX	XXX	XXX			XXX	XXX	XXX		

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SCHEDULE DB VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

Book/Adjusted Carrying Value Check

- 1. Part A, Section 1, Column 14
- 2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance
- 3. Total (Line 1 plus Line 2)
- 4. Part D, Section 1, Column 5
- 5. Part D, Section 1, Column 6
- 6. Total (Line 3 minus Line 4 minus Line 5)

NONE

Fair Value Check

- 7. Part A, Section 1, Column 16
- 8. Part B, Section 1, Column 13
- 9. Total (Line 7 plus Line 8)
- 10. Part D, Section 1, Column 8
- 11. Part D, Section 1, Column 9
- 12. Total (Line 9 minus Line 10 minus Line 11)

Potential Exposure Check

- 13. Part A, Section 1, Column 21
- 14. Part B, Section 1, Column 20
- 15. Part D, Section 1, Column 11
- 16. Total (Line 13 plus Line 14 minus Line 15)

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	39,017	212,745
2. Cost of cash equivalents acquired	910,494	3,355,959
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	780,722	3,529,687
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	168,789	39,017
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	168,789	39,017

SCHEDULE A - PART 2

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

1 Description of Property	Location		4 Date Acquired	5 Name of Vendor	6 Actual Cost at Time of Acquisition	7 Amount of Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances	9 Additional Investment Made After Acquisition
	2 City	3 State						
Corporate Office - 500 Exchange	Providence	RI	06/30/2016	EW Burman				133,631
Corporate Office - 500 Exchange	Providence	RI	06/30/2016	RBS Citizens		874,210		
0199999 Acquired by Purchase						874,210		133,631
0399999 Totals								

EOI

SCHEDULE A - PART 3

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

1 Description of Property	Location		4 Disposal Date	5 Name of Purchaser	6 Actual Cost	7 Expended for Additions, Permanent Improvements and Changes in Encumbrances	8 Book/Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value Less Encumbrances					14 Book/Adjusted Carrying Value Less Encumbrances on Disposal	15 Amounts Received During Year	16 Foreign Exchange Gain (Loss) on Disposal	17 Realized Gain (Loss) on Disposal	18 Total Gain (Loss) on Disposal	19 Gross Income Earned Less Interest Incurred on Encumbrances	20 Taxes, Repairs and Expenses Incurred
	2 City	3 State						9 Current Year's Depreciation	10 Current Year's Other Than Temporary Impairment Recognized	11 Current Year's Change in Encumbrances	12 Total Change in B./A.C.V. (11 - 9 - 10)	13 Total Foreign Exchange Change in B./A.C.V.							
NONE																			
0399999 Totals																			

SCHEDULE BA - PART 2

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

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Desig- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
	PRIME THERAPEUTICS, LLC	EAGAN	MN	PRIME THERAPEUTICS, LLC		05/26/2016		4,748,040				2.040
2199999 Other - Joint Venture, Partnership or Limited Liability Interests - Unaffiliated								4,748,040				X X X
4499999 Subtotal Unaffiliated								4,748,040				X X X
4699999 Totals								4,748,040				X X X

EO3

SCHEDULE BA - PART 3

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

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other Than Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9+10-11+12)	14 Total Foreign Exchange Change in B./A.C.V.							
09250D-9A-9 18383D-9A-0	BLACKSTONE MADISON AVENU GUGGENHEIM HIGH-YIELD PLU	NEW YORK NEW YORK	NY NY	BLACKSTONE MADISON AVE GUGGENHEIM HIGH-YIELD P	07/01/2011 12/01/2015	04/01/2016 04/01/2016	7,929 6,109,362	(2,991) 143,286					(2,991) 143,286		4,938 6,252,648	7,704 6,229,276		2,766 (23,372)	2,766 (23,372)	
2199999 Other - Joint Venture/Partnership Interests - Unaffiliated								6,117,291	140,295				140,295		6,257,586	6,236,980		(20,606)	(20,606)	
4499999 Total Unaffiliated								6,117,291	140,295				140,295		6,257,586	6,236,980		(20,606)	(20,606)	
4699999 Totals								6,117,291	140,295				140,295		6,257,586	6,236,980		(20,606)	(20,606)	

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
912828-C2-4	US TREASURY NOTE		05/18/2016	CITICORP		1,268,506	1,250,000.00	4,076	1
912828-S2-7	US TREASURY NOTE		06/23/2016	MORGAN KEEGAN & CO		4,967,188	5,000,000.00		1
912828-XH-8	US TREASURY NOTE		05/18/2016	VARIOUS		3,805,225	3,750,000.00	21,473	1
912828-L9-9	US TREASURY NOTE N/B		05/31/2016	DEUTSCHE BANK		4,092,237	4,090,000.00	5,196	1
912828-F9-6	US TREASURY NOTES		06/10/2016	DEUTSCHE BANK		1,350,273	1,300,000.00	3,109	1
0599999	Total Bonds U. S. Government				X X X	15,483,429	15,390,000.00	33,854	X X X
31335A-QK-7	FHLMC GOLD #G60458 3.5% 01/01/44		04/19/2016	JP MORGAN SECURITIES		1,572,139	1,494,384.15	3,051	1
3138ET-J2-3	FNMA #AL8380		05/25/2016	CANTOR FITZGERALD & CO		879,807	804,855.23	3,689	1FE
3136G2-LD-7	FNMA (FED NATL MTG)		05/10/2016	BARCLAYS CAPITAL		1,504,710	1,500,000.00	6,490	1FE
31371L-BA-6	FNMA POOL #254833		05/10/2016	INTL FCSTONE		1,066,711	1,035,327.60	2,200	1FE
907833-AE-7	UNP RR CO 1998 98-A		06/16/2016	MORGAN STANLEY		433,413	410,235.14	9,009	1FE
3199999	U.S. Total Bonds Special Revenue and Special Assessment and all Non-Guaranteed Obligations				X X X	5,456,780	5,244,802.12	24,439	X X X
00817Y-AT-5	AETNA INC		06/02/2016	CGM		999,250	1,000,000.00		2FE
13975H-AC-0	AFIN 2014-2 A3		04/26/2016	JP MORGAN SECURITIES		718,350	717,845.52	226	1FE
02007C-AD-4	ALLYA 2016-1 A3		05/25/2016	VARIOUS		876,688	875,000.00	453	1FE
03065V-AD-9	AMCAR 2016-1 A3		05/03/2016	VARIOUS		1,004,710	1,000,000.00	1,324	1FE
032095-AD-3	AMPHENOL CORP		05/11/2016	ROBERT W BAIRD & CO		740,089	740,000.00	1,944	2FE
05565Q-DB-1	BP CAPITAL MARKETS PLC		04/28/2016	JP MORGAN SECURITIES		700,000	700,000.00		1FE
07388Q-AE-9	BSCMS 2007-PW17 A4		05/04/2016	BANK OF AMERICA		882,126	848,548.46	1,074	1FE
14313K-AE-8	CARMX 2012-3 B		04/20/2016	BANK OF AMERICA		923,916	925,000.00	283	1FE
14916R-AB-0	CATHOLIC HEALTH INITIATION		05/06/2016	BB&T		341,384	340,000.00	151	1FE
166764-BK-5	CHEVRON CORP 2.566% 5/16/23		05/09/2016	JP MORGAN SECURITIES		1,000,000	1,000,000.00		1FE
12594D-AD-0	CHN 2016-B A3		05/24/2016	BANK OF AMERICA		599,850	600,000.00		1FE
12591R-AX-8	COMM 2014-CR15 A2		06/21/2016	BREAN CAPITAL		697,676	675,000.00	1,263	1FE
126650-CT-5	CVS HEALTH CORP		05/16/2016	BARCLAYS CAPITAL		598,326	600,000.00		2FE
278265-AC-7	EATON VANCE CORP		05/31/2016	STIFEL		769,254	725,000.00	7,985	1FE
35104V-AB-8	FCRT 2016-1 A2		06/17/2016	JP MORGAN SECURITIES		2,194,605	2,200,000.00		1FE
38379K-KZ-0	GNMA REMIC 2015-78 A		04/06/2016	FTN FINANCIAL		848,496	829,191.32	672	1FE
41284B-AE-6	HDMOT 2015-1 A4		05/25/2016	BANK OF AMERICA		125,410	125,000.00	93	1FE
491189-FC-5	KY ASSET/LIAB TXBL		04/01/2016	WELLS FARGO		914,382	898,655.11	395	1FE
59511V-AA-7	MICRON SEMICONDUCTOR		04/20/2016	JP MORGAN SECURITIES		1,500,885	1,500,000.00	5,242	1
60871R-AG-5	MOLSON COORS BREWING CO		06/28/2016	BANK OF AMERICA		499,225	500,000.00		2FE
61755Y-AF-1	MSC 2007-IQ15 A4		05/10/2016	BANK OF AMERICA		633,818	610,886.06	1,205	1FE
62854A-AC-8	MYLAN MV		05/31/2016	DEUTSCHE BANK		709,176	710,000.00		2FE
62888W-AC-0	NGN 2010-R3 3A		04/06/2016	WELLS FARGO		963,947	952,928.27	318	1FE
645913-AW-4	NJ ST ECON DEV TXBL 97B		04/11/2016	HUTCHINSON SHOCKEY ERLEY & CO		820,458	851,000.00		1FE
68389X-BM-6	ORACLE CORP		06/29/2016	JP MORGAN SECURITIES		498,120	500,000.00		1FE
709604-AA-0	PENTA AIRCRAFT		06/17/2016	JANNEY		1,046,961	1,045,810.91	2,604	1FE

E4

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

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
76218N-AS-6	RI ST COMMERCE CORP AIRPORT REV		06/17/2016	RAYMOND JAMES		350,000	350,000.00		2FE
776696-AC-0	ROPER TECHNOLOGIES INC		04/13/2016	WELLS FARGO		591,738	525,000.00	4,284	2FE
797440-BU-7	SAN DIEGO G & E		05/16/2016	CGM		697,725	700,000.00		1FE
857477-AF-0	ST STR CORP		06/28/2016	STIFEL		52,454	50,000.00	730	2FE
87165L-BB-6	SYNCT 2016-2 A		05/20/2016	JP MORGAN SECURITIES		764,970	765,000.00		1FE
873782-AA-4	TAGUA LEASING LLC		04/11/2016	RW PRESPRITCH		1,003,104	996,190.62	105	1FE
3899999	Total Bonds Industrial and Miscellaneous (Unaffiliated)				X X X	25,067,093	24,856,056.27	30,351	X X X
8399997	Total Bonds Part 3				X X X	46,007,302	45,490,858.39	88,644	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	46,007,302	45,490,858.39	88,644	X X X
00912X-30-2	AIR LEASE CORP		05/12/2016	COWEN AND COMPANY	2,860.000	85,430			L
06652K-10-3	BANKUNITED INC		06/29/2016	MORGAN STANLEY	290.000	8,639			L
302130-10-9	EXPEDITORS INTERNATIONAL WASH INC		05/03/2016	BARCLAYS CAPITAL	60.000	2,859			L
336433-10-7	FIRST SOLAR INC		05/06/2016	MKM PARTNERS	420.000	21,930			L
56418H-10-0	MANPOWERGROUP INC		06/29/2016	VARIOUS	260.000	17,527			L
55303A-10-5	MGM GROWTH PROPERTIES LLC-A		04/20/2016	MERRILL LYNCH	6,710.000	140,910			L
770323-10-3	ROBERT HALF INTERNATIONAL INC		04/27/2016	VARIOUS	2,260.000	97,939			L
87157D-10-9	SYNAPTICS INC		04/29/2016	KEYBANC CAPITAL MKTS	200.000	13,860			L
92342Y-10-9	VERIFONE HOLDINGS INC		06/29/2016	VARIOUS	1,370.000	25,576			L
G98290-10-2	XL GROUP PLC SHS		04/29/2016	KEEFE BRUYETTE & WOODS	2,620.000	86,355			L
9099999	Total Common Stock Industrial and Miscellaneous (Unaffiliated)				X X X	501,025	X X X		X X X
024071-84-7	AMERICAN BALANCED FUND-R4		06/30/2016	MASSMUTUAL	2,405.224	58,601			L
024524-12-6	AMERICAN BEACON BR L/C VA-N		06/30/2016	MASSMUTUAL	14.341	336			L
14949P-20-8	CAUSEWAY INTERNATIONAL VALUE FD-IN	R	06/03/2016	STATE STREET GLOBAL ADVISORS	215,827.338	3,000,000			L
24610C-85-7	DELAWARE VALUE FUND-I		06/23/2016	DELAWARE VALUE	55,629.846	1,060,305			L
464287-46-5	ISHARES MSCI EAFE INDEX FUND	R	04/07/2016	STATE STREET GLOBAL ADVISORS	27,055.000	1,499,991			L
464286-53-3	ISHARES MSCI EMERG MKT VOLATILITY	R	04/07/2016	STATE STREET	28,113.000	1,399,957			L
57629E-30-8	MASSMUTUAL PREMIER INTL EQUITY FUN	R	06/30/2016	MASSMUTUAL	103.294	1,191			L
57629S-73-7	MASSMUTUAL SEL BLUE CHIP GROWTH		06/30/2016	MASSMUTUAL	257.335	3,977			L
57629S-68-7	MASSMUTUAL SELECT INDEXED EQUITY		06/30/2016	MASSMUTUAL	360.207	6,655			L
649280-83-1	NEW WORLD FD INC R5		06/30/2016	MASSMUTUAL	6.945	351			L
665130-10-0	NORTHERN MID CAP INDEX		06/30/2016	MASSMUTUAL	21.050	351			L
665162-72-3	NORTHERN SMALL CAP INDEX		06/30/2016	MASSMUTUAL	63.093	687			L
72701U-40-1	PLAN ULTRASHORT DURATION BONDS		06/30/2016	DIVIDEND REINVESTMENT	293.732	2,932			L
72701U-30-2	PLAN ULTRASHORT DURATION GOVT		06/30/2016	DIVIDEND REINVESTMENT	48.185	482			L

E04.1

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

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
87279B-10-6	T ROWE PRICE FLOATING RATE FUND		06/03/2016	T ROWE PRICE	1,020,408.163	10,000,000			L
779562-10-7	T ROWE PRICE NEW HORIZONS FUND		06/30/2016	MASSMUTUAL	55.228	2,298			L
74149P-30-9	T ROWE PRICE RETIREMENT 2030 FUND		06/30/2016	MASSMUTUAL	2,167.155	47,492			L
74149P-77-0	T ROWE PRICE RETIREMENT 2035 FUND		06/30/2016	MASSMUTUAL	74.275	1,183			L
74149P-40-8	T ROWE PRICE RETIREMENT 2040 FUND		06/30/2016	MASSMUTUAL	154.192	3,509			L
921908-87-7	VANGUARD REIT INDEX FUND-ADM		06/21/2016	DIVIDEND REINVESTMENT	0.185	22			L
92828T-88-9	VIRTUS EMERG MARKET OPPORT- I FUND	R	06/03/2016	STATE STREET GLOBAL ADVISORS	618,414.745	5,723,656			L
92913L-78-3	VOYA HIGH YIELD BOND FUND		06/03/2016	VARIOUS	365,728.370	2,834,442			L
9299999	Total Common Stock Mutual Funds				X X X	25,648,418	X X X		X X X
9799997	Total Common Stock Part 3				X X X	26,149,443	X X X		X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
9799999	Total Common Stock				X X X	26,149,443	X X X		X X X
9899999	Total Preferred and Common Stock				X X X	26,149,443	X X X		X X X
9999999	Totals				X X X	72,156,745	X X X	88,644	X X X

E04.2

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

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
906581-AA-1 92343V-BD-5	UNION 11 LEASING LLC VERIZON COMMUNICATIONS		04/23/2016 04/04/2016	PRINCIPAL RECEIPT WELLS FARGO		39,760 1,510,800	39,760.40 1,500,000.00	40,445 1,567,740							40,441 1,509,525		(680) 1,275	(680) 1,275	239 12,750	01/23/2024 11/01/2016	1FE 2FE
3899999	Total - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	34,981,452	34,948,387.93	35,192,135	33,138,301						34,993,674		(12,224)	(12,224)	445,218	X X X	X X X
8399997	Total - Bonds - Part 4				X X X	86,189,720	85,031,611.09	85,867,152	59,256,983						85,577,399		612,321	612,321	1,005,546	X X X	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	86,189,720	85,031,611.09	85,867,152	59,256,983						85,577,399		612,321	612,321	1,005,546	X X X	X X X
171798-10-1	CIMAREX ENERGY CO		05/12/2016	CITIGROUP GLOBAL	120.00	13,784		10,726	10,726						10,726		3,058	3,058	19		L
19625X-10-2	COLONY STARWOOD HOMES		06/16/2016	JEFFERIES & CO, INC	650.00	19,205		14,716	14,716						14,716		4,489	4,489	143		L
26483E-10-0	DUN & BRADSTREET CORP		05/12/2016	CITIGROUP GLOBAL	140.00	16,480		14,550	14,550						14,550		1,930	1,930	68		L
302130-10-9	EXPEDITORS INTERNATIONAL WAS		04/29/2016	JEFFERIES & CO, INC	100.00	4,945		3,915	4,510	(595)					3,915		1,030	1,030			L
44919P-50-8	IAC INTERACTIVECORP COM		05/12/2016	CITIGROUP GLOBAL	240.00	13,014		14,412	14,412						14,412		(1,398)	(1,398)			L
55303A-10-5	MGM GROWTH PROPERTIES LLC-A		06/07/2016	VARIOUS	3,150.00	72,249		66,150							66,150		6,099	6,099			L
695156-10-9	PACKAGING CORP OF AMERICA		06/08/2016	BRUSWELLS	1,360.00	96,274		85,748	85,748						85,748		10,526	10,526	1,496		L
693656-10-0	PVH CORP		04/01/2016	PIPER JAFFRAY	930.00	92,299		68,495	68,495						68,495		23,805	23,805	35		L
759351-60-4	REINSURANCE GROUP OF AMERICA		05/06/2016	MKM PARTNERS	210.00	19,915		14,479	17,966	(3,486)					14,479		5,435	5,435	78		L
871607-10-7	SYNOPSIS INC		06/29/2016	MORGAN STANLEY	330.00	17,401		12,927	15,051	(2,125)					12,927		4,474	4,474			L
91307C-10-2	UNITED THERAPEUTICS CORP		04/20/2016	ISI GROUP	650.00	75,658		97,743	92,400	(2,219)					97,743		(22,084)	(22,084)			L
989701-10-7	ZIONS BANCORP		04/29/2016	JEFFERIES & CO, INC	640.00	17,609		17,465	17,472	(7)					17,465		144	144	38		L
9099999	Total - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	458,833		421,326	356,046						421,326		37,508	37,508	1,877	X X X	X X X
024071-84-7 74149P-77-0	AMERICAN BALANCED FUND-R4 T ROWE PRICE RETIREMENT 2035 F		06/17/2016 05/12/2016	VARIOUS MASSMUTUAL	23,769.32 1,298.37	581,470 20,626		569,308 21,550	484,378 18,717	2,914 1,185					569,308 21,550		12,162 (924)	12,162 (924)	4,204		L L
9299999	Total - Common Stock - Mutual Funds				X X X	602,096	X X X	590,858	503,095	4,099					590,858		11,238	11,238	4,204	X X X	X X X
9799997	Total - Common Stock - Part 4				X X X	1,060,929	X X X	1,012,184	859,141	(4,333)					1,012,184		48,746	48,746	6,081	X X X	X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X

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

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
9799999	Total Common Stocks				X X X	1,060,929	X X X	1,012,184	859,141	(4,333)			(4,333)		1,012,184		48,746	48,746	6,081	X X X	X X X
9899999	Total Preferred and Common Stocks				X X X	1,060,929	X X X	1,012,184	859,141	(4,333)			(4,333)		1,012,184		48,746	48,746	6,081	X X X	X X X
9999999	Totals					87,250,649	X X X	86,879,336	60,116,124	(4,333)	(86,826)		(91,159)		86,589,583		661,067	661,067	1,011,627	X X X	X X X

E05.4

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

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23							
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate or Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase/ (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization)/ Accretion	Adjustment to Carrying Value of Hedged Item	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (b)							
NONE																													
1449999 Total																													

E06

(a)

Code	Description of Hedged Risk(s)
NONE	

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
NONE	

SCHEDULE DB - PART B - SECTION 1

Future Contracts Open as of the Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Highly Effective Hedges			18	19	20	21	22
														15	16	17					
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk(s) (a)	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative Variation Margin	Deferred Variation Margin	Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item	Cumulative Variation Margin for All Other Hedges	Change in Variation Margin Gain (Loss) Recognized in Current Year	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (b)	Value of One (1) Point
1449999 Total						X X X	X X X	X X X			X X X									X X X	X X X

NONE

Broker Name	Beginning Cash Balance	Cumulative Cash Change	Ending Cash Balance
<div style="font-size: 4em; font-weight: bold;">NONE</div>			
Total Net Cash Deposits			

E07

(a)

Code	Description of Hedged Risk(s)
<div style="font-size: 4em; font-weight: bold;">NONE</div>	

(b)

Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period
<div style="font-size: 4em; font-weight: bold;">NONE</div>	

SCHEDULE DB - PART D - SECTION 1

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book/Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure
				5 Contracts With Book/ Adjusted Carrying Value >0	6 Contracts With Book/ Adjusted Carrying Value <0	7 Exposure net of Collateral	8 Contracts With Fair Value >0	9 Contracts With Fair Value <0	10 Exposure Net of Collateral		
NONE											
0999999 Gross Totals											
1. Offset per SSAP No. 64											
2. Net after right of offset per SSAP No. 64											

E08

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged by Reporting Entity

1 Exchange, Counterparty or Central Clearinghouse	2 Type of Asset Pledged	3 CUSIP Identification	4 Description	5 Fair Value	6 Par Value	7 Book / Adjusted Carrying Value	8 Maturity Date	9 Type of Margin (I, V or IV)	
			NONE						
0199999 Total Collateral Pledged by Reporting Entity								X X X	X X X

E09

Collateral Pledged to Reporting Entity

1 Exchange, Counterparty or Central Clearinghouse	2 Type of Asset Pledged	3 CUSIP Identification	4 Description	5 Fair Value	6 Par Value	7 Book / Adjusted Carrying Value	8 Maturity Date	9 Type of Margin (I, V or IV)	
			NONE						
0299999 Total Collateral Pledged to Reporting Entity							X X X	X X X	X X X

SCHEDULE DL - PART 1

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Desig- nation/ Market Indicator	5 Fair Value	6 Book / Adjusted Carrying Value	7 Maturity Dates
NONE						
999999	Totals					XXX

General Interrogatories:

1. Total activity for the year to date Fair Value \$ 0 Book/Adjusted Carrying Value \$ 0

2. Average balance for the year to date Fair Value \$ 0 Book/Adjusted Carrying Value \$ 0

3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0.

SCHEDULE DL - PART 2

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1 CUSIP Identification	2 Description	3 Code	4 NAIC Desig- nation/ Market Indicator	5 Fair Value	6 Book / Adjusted Carrying Value	7 Maturity Dates
NONE						
9999999 Totals						XXX

General Interrogatories:

1. Total activity for the year	Fair Value \$	0	Book/Adjusted Carrying Value \$	0
2. Average balance for the year	Fair Value \$	0	Book/Adjusted Carrying Value \$	0

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
CITIZENS BANK - OPERATING	PROVIDENCE, RI	0.453	19,447		41,683,693	30,239,194	23,800,195	
CITIZENS BANK - HEALTH INS EXCHANGE	PROVIDENCE, RI				318,901	339,051	338,984	
CITIZENS BANK - CERIDAIN	PROVIDENCE, RI				6,292	8,665	2,699,198	
CITIZENS BANK - DENTAL UCDS	PROVIDENCE, RI				(1,006,595)	(685,894)	(921,098)	
CITIZENS BANK - VALUEPAY	PROVIDENCE, RI				(871,312)	(9,346,642)	(9,961,763)	
CITIZENS BANK - FEP FACETS	PROVIDENCE, RI				(1,675,150)	(1,576,632)	(75,698)	
CITIZENS BANK - CLEARCYCLE	PROVIDENCE, RI				(6,819,772)	(10,640,541)	(24,988,285)	
CITIZENS BANK - ADMIN	PROVIDENCE, RI				(1,884,854)	(980,403)	(1,255,159)	
STATE STREET BANK	BOSTON, MA				(2,374,319)	37,500	(1,509,346)	
BANK RHODE ISLAND CD	PROVIDENCE, RI	1.000			51,619	51,640	51,662	
0199998 Deposits in (4) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories	X X X	X X X						X X X
0199999 Total - Open Depositories	X X X	X X X	19,447		27,428,503	7,445,938	(11,821,310)	X X X
Suspended Depositories								
0299998 Deposits in (0) depositories that do not exceed the allowable limit in any one depository (see Instructions) - Suspended Depositories	X X X	X X X						X X X
0299999 Total Suspended Depositories	X X X	X X X						X X X
0399999 Total Cash on Deposit	X X X	X X X	19,447		27,428,503	7,445,938	(11,821,310)	X X X
0499999 Cash in Company's Office	X X X	X X X	X X X	X X X	3,050	3,050	2,300	X X X
0599999 Total	X X X	X X X	19,447		27,431,553	7,448,988	(11,819,010)	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
FEP FACETS REPURCHASE AGREEMENT	RA	06/30/2016	0.453	07/01/2016	168,789		1
8599999 Other Cash Equivalents					168,789		1
8699999 Total Cash Equivalents					168,789		1

E13



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MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code 0000

NAIC Company Code 53473

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected	5,919,490	XXX	4,061,596	XXX	9,981,086
2. Earned Premiums	3,425,743	XXX	4,527,319	XXX	XXX
3. Claims Paid	2,396,072	XXX	5,241,438	XXX	7,637,510
4. Claims Incurred	2,743,544	XXX	4,064,182	XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing - Claims Paid Net of Reimbursements Applied (a)	XXX		XXX		
6. Aggregate Policy Reserves - Change		XXX		XXX	XXX
7. Expenses Paid	374,609	XXX	166,802	XXX	541,411
8. Expenses Incurred	697,470	XXX	310,563	XXX	XXX
9. Underwriting Gain or Loss	(15,271)	XXX	152,574	XXX	XXX
10. Cash Flow Result	XXX	XXX	XXX	XXX	1,802,165

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ 0 due from CMS or \$ 0 due to CMS