

ANNUAL STATEMENT

OF THE

BLUE CROSS & BLUE SHIELD OF RHODE ISLAND

of PROVIDENCE COUNTY

STATE OF RHODE ISLAND

TO THE

Insurance Department

OF THE

STATE OF RHODE ISLAND

FOR THE YEAR ENDED

December 31, 2021

HEALTH

2021



53473202120100100

ANNUAL STATEMENT

For the Year Ended December 31, 2021
OF THE CONDITION AND AFFAIRS OF THE

BLUE CROSS & BLUE SHIELD OF RHODE ISLAND

NAIC Group Code 0000 (Current Period) 0000 (Prior Period) NAIC Company Code 53473 Employer's ID Number 05-0158952

Organized under the Laws of RHODE ISLAND, State of Domicile or Port of Entry RI

Country of Domicile USA

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

Incorporated/Organized 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 (City or Town, State, Country and Zip Code)
401-459-5886 (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 Web Site Address WWW.BCBSRI.COM

Statutory Statement Contact MARK C. STEWART 401-459-5886 (Name) (Area Code) (Telephone Number) (Extension)
MARK.STEWART@BCBSRI.ORG 401-459-1198 (E-Mail Address) (Fax Number)

OFFICERS

	Name	Title
1.	MARTHA L. WOFFORD #	PRESIDENT & CEO
2.	MICHELE B. LEDERBERG	EVP. CHIEF ADMIN OFFICER & CHIEF LEGAL OFFICER
3.	MARK C. STEWART	EXECUTIVE VICE PRESIDENT & CFO

VICE-PRESIDENTS

Name	Title	Name	Title
MONICA A. AUCIELLO #	SVP - GENERAL COUNSEL	CHRISTOPHER G. BUSH #	SVP - NETWORK MANAGEMENT
MATTHEW COLLINS M.D.	EVP - CHIEF MEDICAL OFFICER	DAVID COMELLA	VP - CHIEF INFORMATION OFFICER
MELISSA B. CUMMINGS	EVP - CHIEF CUSTOMER OFFICER	TARA L. DEMOURA #	SVP - EMPLOYER SEGMENT
JEREMY S. DUNCAN	VP - MARKETING	AMARNATH GURIVREDDYGARI	VP - CHIEF DATA & ANALYTICS OFFICER
MICHAEL J. MARRONE #	SVP - FINANCE	CHRISTINE MUSIAL #	VP - SHARED SERVICES
CHRISTINA PITNEY #	SVP - GOVERNMENT PROGRAMS	RENA SHEEHAN #	VP - CLINICAL INTEGRATION
LINDA WINFREY	VP - INTERNAL AUDIT & ERM		

DIRECTORS OR TRUSTEES

ROSAMARIA AMOROS JONES #	ERIC BEANE	STEPHEN COHAN	CHRISTOPHER CROSBY
NICHOLAS DENICE	JOSEPH DIAZ M.D. #	MICHAEL DICHIRO	PAUL DOUGHTY
LOUIS GIANCOLA	KAREN HAMMOND	DONNA HUNTLEY-NEWBY	MICHAEL A ISRAELITE
CELESTE MARSELLA	SHARON MORRIS #	DEBRA PAUL	PETER QUATTROMANI
ROBERT A. SANDERS	MERRILL SHERMAN		

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) <u>MARTHA L. WOFFORD</u> (Printed Name) 1.	(Signature) <u>MICHELE B. LEDERBERG</u> (Printed Name) 2.	(Signature) <u>MARK C. STEWART</u> (Printed Name) 3.
PRESIDENT & CEO (Title)	EVP. CHIEF ADMIN OFFICER & CHIEF LEGAL OFFICER (Title)	EXECUTIVE VICE PRESIDENT & CFO (Title)

Subscribed and sworn to (or affirmed) before me this on this _____ day of _____, 2022, by

- 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 Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	454,436,000		454,436,000	421,507,811
2. Stocks (Schedule D):				
2.1 Preferred stocks	29,154,345		29,154,345	
2.2 Common stocks	109,558,644		109,558,644	141,384,708
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 48,811,104 encumbrances)	43,572,107		43,572,107	41,399,335
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 17,302,955, Schedule E - Part 1), cash equivalents (\$ 18,366,642, Schedule E - Part 2), and short-term investments (\$ 0, Schedule DA)	35,669,597		35,669,597	57,427,294
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	25,305,080		25,305,080	18,793,559
9. Receivables for securities	31,438		31,438	31,568
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	697,727,211		697,727,211	680,544,275
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	2,634,901		2,634,901	2,538,931
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	29,736,115	4,588,227	25,147,888	29,254,441
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 (\$ 224,812) and contracts subject to redetermination (\$ 35,438,425)	35,663,237		35,663,237	30,851,459
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	7,721,924		7,721,924	5,630,009
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	67,105,125	421,179	66,683,946	37,724,868
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	38,880,579	38,746,441	134,138	176,498
21. Furniture and equipment, including health care delivery assets (\$ 0)	574,647	574,647		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 40,505,717) and other amounts receivable	43,199,031	2,693,314	40,505,717	35,976,639
25. Aggregate write-ins for other-than-invested assets	64,506,611	16,465,271	48,041,340	39,407,026
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	987,749,381	63,489,079	924,260,302	862,104,146
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	987,749,381	63,489,079	924,260,302	862,104,146

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	34,465,655	352,985	34,112,670	29,046,971
2502. PREPAID EXPENSES	14,637,739	14,637,739		
2503. FEP UNPAID CLAIMS	10,441,000		10,441,000	6,043,081
2598. Summary of remaining write-ins for Line 25 from overflow page	4,962,217	1,474,547	3,487,670	4,316,974
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	64,506,611	16,465,271	48,041,340	39,407,026

NONE

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	136,825,413		136,825,413	132,505,448
2. Accrued medical incentive pool and bonus amounts	50,408,939		50,408,939	45,991,166
3. Unpaid claims adjustment expenses	21,001,037		21,001,037	19,942,238
4. Aggregate health policy reserves, including the liability of \$ 9,977,912 for medical loss ratio rebate per the Public Health Services Act	92,767,146		92,767,146	92,987,025
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves	3,359,000		3,359,000	3,219,000
8. Premiums received in advance	25,834,351		25,834,351	14,959,303
9. General expenses due or accrued	58,079,680		58,079,680	53,954,894
10.1. Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized gains (losses))	638,802		638,802	538,104
10.2. Net deferred tax liability				
11. Ceded reinsurance premiums payable	385,306		385,306	151,062
12. Amounts withheld or retained for the account of others	1,323,385		1,323,385	1,068,513
13. Remittances and items not allocated	3,319,481		3,319,481	2,344,908
14. Borrowed money (including \$ 0 current) and interest thereon \$ 0 (including \$ 0 current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ 0 authorized reinsurers, \$ 0 unauthorized reinsurers and \$ 0 certified reinsurers)				
20. Reinsurance in unauthorized and certified \$ (0) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans	57,292,852		57,292,852	34,567,049
23. Aggregate write-ins for other liabilities (including \$ 34,246,135 current)	38,332,049		38,332,049	44,061,202
24. Total liabilities (Lines 1 to 23)	489,567,441		489,567,441	446,289,912
25. Aggregate write-ins for special surplus funds	X X X	X X X		
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	434,692,861	415,814,234
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	434,692,861	415,814,234
34. Total liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	924,260,302	862,104,146

DETAILS OF WRITE-IN LINES				
2301. OTHER ACCOUNTS PAYABLE	28,281,156		28,281,156	35,195,639
2302. ACCRUED CAPITAL EXPENSES	5,070,211		5,070,211	2,504,350
2303. UNFUNDED ACCUMULATED BENEFIT OBLIGATION	4,085,914		4,085,914	4,650,227
2398. Summary of remaining write-ins for Line 23 from overflow page	894,768		894,768	1,710,986
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	38,332,049		38,332,049	44,061,202
2501.	X X X	X X X		
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		
3001.	X X X	X X X		
3002.	X X X	X X X		
3003.	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page	X X X	X X X		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	4,632,706	4,615,572
2. Net premium income (including \$ 0 non-health premium income)	X X X	1,801,705,242	1,709,377,994
3. Change in unearned premium reserves and reserve for rate credits	X X X	(6,185,138)	(2,134,796)
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	1,795,520,104	1,707,243,198
Hospital and Medical:			
9. Hospital/medical benefits		1,064,133,006	935,397,089
10. Other professional services		21,301,483	18,582,006
11. Outside referrals			
12. Emergency room and out-of-area		167,113,518	144,800,110
13. Prescription drugs		216,040,137	214,337,579
14. Aggregate write-ins for other hospital and medical		66,009,766	62,706,329
15. Incentive pool, withhold adjustments and bonus amounts		17,750,554	33,588,484
16. Subtotal (Lines 9 to 15)		1,552,348,464	1,409,411,597
Less:			
17. Net reinsurance recoveries		9,638,725	6,039,890
18. Total hospital and medical (Lines 16 minus 17)		1,542,709,739	1,403,371,707
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 28,660,969 cost containment expenses		58,743,347	58,190,620
21. General administrative expenses		183,427,950	207,567,850
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)		1,400,000	30,400,000
23. Total underwriting deductions (Lines 18 through 22)		1,786,281,036	1,699,530,177
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	9,239,068	7,713,021
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		11,562,380	10,622,783
26. Net realized capital gains (losses) less capital gains tax of \$ 0		5,946,730	(2,764,866)
27. Net investment gains (losses) (Lines 25 plus 26)		17,509,110	7,857,917
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		(13,580,656)	(9,407,830)
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	13,167,522	6,163,108
31. Federal and foreign income taxes incurred	X X X		(36,258,104)
32. Net income (loss) (Lines 30 minus 31)	X X X	13,167,522	42,421,212

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			66,009,766
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)			66,009,766
2901. INCOME HISTORIC TAX CREDITS			180,000
2902. INDIGO COMMISSIONS			15,942
2903. WELLNESS WORKS REVENUE			3,177,761
2998. Summary of remaining write-ins for Line 29 from overflow page			(13,776,598)
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)			(13,580,656)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	415,814,234	371,583,769
34. Net income or (loss) from Line 32	13,167,522	42,421,212
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	11,508,124	13,750,054
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		(36,258,104)
39. Change in nonadmitted assets	(6,361,333)	24,635,642
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	564,314	(318,339)
48. Net change in capital and surplus (Lines 34 to 47)	18,878,627	44,230,465
49. Capital and surplus end of reporting year (Line 33 plus 48)	434,692,861	415,814,234

DETAILS OF WRITE-IN LINES		
4701. OTHER POSTEMPLOYMENT BENEFITS	304,273	134,056
4702. NON-QUALIFIED PENSION PLAN	260,041	(452,395)
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	564,314	(318,339)

CASH FLOW

	1	2
Cash from Operations	Current Year	Prior Year
1. Premiums collected net of reinsurance	1,773,613,715	1,705,654,448
2. Net investment income	12,789,245	11,365,890
3. Miscellaneous income	(17,565,583)	(10,575,098)
4. Total (Lines 1 through 3)	1,768,837,377	1,706,445,240
5. Benefit and loss related payments	1,542,424,731	1,391,742,498
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	201,840,414	232,516,277
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		(36,258,102)
10. Total (Lines 5 through 9)	1,744,265,145	1,588,000,673
11. Net cash from operations (Line 4 minus Line 10)	24,572,232	118,444,567
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	83,443,732	135,318,390
12.2 Stocks	24,043,107	27,241,683
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		30,503
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	129	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	107,486,968	162,590,576
13. Cost of investments acquired (long-term only):		
13.1 Bonds	117,605,766	171,255,716
13.2 Stocks	5,488,748	52,522,177
13.3 Mortgage loans		
13.4 Real estate	4,625,423	4,369,737
13.5 Other invested assets	5,028,294	6,666,265
13.6 Miscellaneous applications		19,882
13.7 Total investments acquired (Lines 13.1 to 13.6)	132,748,231	234,833,777
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(25,261,263)	(72,243,201)
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		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(21,068,666)	(23,694,042)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(21,068,666)	(23,694,042)
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)	(21,757,697)	22,507,324
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	57,427,294	34,919,970
19.2 End of year (Line 18 plus Line 19.1)	35,669,597	57,427,294

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

20.0001		
20.0002		
20.0003		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,801,705,242	837,049,680	60,351,082	28,817,595	954,242	135,900,722	714,122,350		24,509,571	
2. Change in unearned premium reserves and reserve for rate credit	(6,185,138)					(6,185,138)				
3. Fee-for-service (net of \$ 0 medical expenses)										X X X
4. Risk revenue										X X X
5. Aggregate write-ins for other health care related revenues										X X X
6. Aggregate write-ins for other non-health care related revenues		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
7. Total revenues (Lines 1 to 6)	1,795,520,104	837,049,680	60,351,082	28,817,595	954,242	129,715,584	714,122,350		24,509,571	
8. Hospital/medical benefits	1,064,133,006	429,669,364	46,653,960			82,169,666	496,229,075		9,410,941	X X X
9. Other professional services	21,301,483			20,869,285	432,198					X X X
10. Outside referrals										X X X
11. Emergency room and out-of-area	167,113,518	98,719,659					68,393,859			X X X
12. Prescription drugs	216,040,137	134,316,098	1,337,777			29,208,641	40,424,047		10,753,574	X X X
13. Aggregate write-ins for other hospital and medical	66,009,766	41,726,814				7,424,279	16,858,673			X X X
14. Incentive pool, withhold adjustments and bonus amounts	17,750,554	8,234,248	40,394			3,125	9,472,787			X X X
15. Subtotal (Lines 8 to 14)	1,552,348,464	712,666,183	48,032,131	20,869,285	432,198	118,805,711	631,378,441		20,164,515	X X X
16. Net reinsurance recoveries	9,638,725	8,278,654							1,360,071	X X X
17. Total hospital and medical (Lines 15 minus 16)	1,542,709,739	704,387,529	48,032,131	20,869,285	432,198	118,805,711	631,378,441		18,804,444	X X X
18. Non-health claims (net)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
19. Claims adjustment expenses including \$ 28,660,969 cost containment expenses	58,743,347	26,166,679	2,337,696	1,260,997	56,037	3,133,399	25,102,714		685,825	
20. General administrative expenses	183,427,950	90,433,129	6,865,832	3,703,560	164,581	6,519,710	73,726,869		2,014,269	
21. Increase in reserves for accident and health contracts	1,400,000	12,200,000					(10,800,000)			X X X
22. Increase in reserves for life contracts		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
23. Total underwriting deductions (Lines 17 to 22)	1,786,281,036	833,187,337	57,235,659	25,833,842	652,816	128,458,820	719,408,024		21,504,538	
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	9,239,068	3,862,343	3,115,423	2,983,753	301,426	1,256,764	(5,285,674)		3,005,033	

DETAILS OF WRITE-IN LINES										
0501.										X X X
0502.										X X X
0503.										X X X
0598. Summary of remaining write-ins for Line 05 from overflow page										X X X
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)										X X X
0601.		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0602.		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0603.		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0698. Summary of remaining write-ins for Line 06 from overflow page		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	
1301. MENTAL HEALTH	66,009,766	41,726,814				7,424,279	16,858,673			X X X
1302.										X X X
1303.										X X X
1398. Summary of remaining write-ins for Line 13 from overflow page										X X X
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	66,009,766	41,726,814				7,424,279	16,858,673			X X X

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	837,783,379		733,700	837,049,679
2. Medicare Supplement	60,351,082			60,351,082
3. Dental only	28,817,595			28,817,595
4. Vision only	954,242			954,242
5. Federal Employees Health Benefits Plan	129,715,584			129,715,584
6. Title XVIII – Medicare	714,122,350			714,122,350
7. Title XIX – Medicaid				
8. Other health	28,113,245		3,603,673	24,509,572
9. Health subtotal (Lines 1 through 8)	1,799,857,477		4,337,373	1,795,520,104
10. Life				
11. Property/casualty				
12. Totals (Lines 9 to 11)	1,799,857,477		4,337,373	1,795,520,104

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	1,535,181,788	706,838,031	46,450,643	20,920,850	484,860	115,968,621	623,738,737		20,780,046	
1.2 Reinsurance assumed										
1.3 Reinsurance ceded	7,546,811	6,286,209								1,260,602
1.4 Net	1,527,634,977	700,551,822	46,450,643	20,920,850	484,860	115,968,621	623,738,737		19,519,444	
2. Paid medical incentive pools and bonuses	13,332,782	2,561,016					10,771,766			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	136,825,415	66,705,972	5,540,722	1,129,000		10,783,865	47,562,147		5,103,709	
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net	136,825,415	66,705,972	5,540,722	1,129,000		10,783,865	47,562,147		5,103,709	
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	3,359,000	3,359,000								
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	3,359,000	3,359,000								
5. Accrued medical incentive pools and bonuses, current year	50,408,938	27,964,335					22,444,603			
6. Net healthcare receivables (a)	5,043,844	5,691,178		(4,436)			(642,898)			
7. Amounts recoverable from reinsurers December 31, current year	7,721,924	7,585,295							136,629	
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	132,505,447	62,526,243	3,959,234	1,185,000	52,662	7,946,775	51,016,824		5,818,709	
8.2 Reinsurance assumed										
8.3 Reinsurance ceded										
8.4 Net	132,505,447	62,526,243	3,959,234	1,185,000	52,662	7,946,775	51,016,824		5,818,709	
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	3,219,000	3,219,000								
9.2 Reinsurance assumed										
9.3 Reinsurance ceded										
9.4 Net	3,219,000	3,219,000								
10. Accrued medical incentive pools and bonuses, prior year	45,991,167	23,226,280					22,764,887			
11. Amounts recoverable from reinsurers December 31, prior year	5,630,009	5,592,848							37,161	
12. Incurred benefits:										
12.1 Direct	1,534,597,912	705,466,582	48,032,131	20,869,286	432,198	118,805,711	620,926,958		20,065,046	
12.2 Reinsurance assumed										
12.3 Reinsurance ceded	9,638,726	8,278,656								1,360,070
12.4 Net	1,524,959,186	697,187,926	48,032,131	20,869,286	432,198	118,805,711	620,926,958		18,704,976	
13. Incurred medical incentive pools and bonuses	17,750,553	7,299,071					10,451,482			

(a) Excludes \$ 16,957 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	54,742,006	30,513,317	1,123,072	388,397		2,685,228	14,928,283		5,103,709	
1.2 Reinsurance assumed										
1.3 Reinsurance ceded										
1.4 Net	54,742,006	30,513,317	1,123,072	388,397		2,685,228	14,928,283		5,103,709	
2. Incurred but Unreported:										
2.1 Direct	82,083,409	36,192,655	4,417,650	740,603		8,098,637	32,633,864			
2.2 Reinsurance assumed										
2.3 Reinsurance ceded										
2.4 Net	82,083,409	36,192,655	4,417,650	740,603		8,098,637	32,633,864			
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct										
3.2 Reinsurance assumed										
3.3 Reinsurance ceded										
3.4 Net										
4. TOTALS:										
4.1 Direct	136,825,415	66,705,972	5,540,722	1,129,000		10,783,865	47,562,147		5,103,709	
4.2 Reinsurance assumed										
4.3 Reinsurance ceded										
4.4 Net	136,825,415	66,705,972	5,540,722	1,129,000		10,783,865	47,562,147		5,103,709	

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	43,771,680	653,427,624	6,315,021	63,749,951	50,086,701	65,745,243
2. Medicare Supplement	2,734,161	43,716,482	4,552	5,536,170	2,738,713	3,959,234
3. Dental only	890,238	20,030,612	8,629	1,120,371	898,867	1,185,000
4. Vision only	60,720	424,140			60,720	52,662
5. Federal Employees Health Benefits Plan	10,235,061	105,733,560	569,960	10,213,905	10,805,021	7,946,775
6. Title XVIII – Medicare	36,347,461	587,391,276	957,566	46,604,581	37,305,027	51,016,824
7. Title XIX – Medicaid						
8. Other health	1,898,329	18,881,717		5,103,709	1,898,329	5,818,709
9. Health subtotal (Lines 1 to 8)	95,937,650	1,429,605,411	7,855,728	132,328,687	103,793,378	135,724,447
10. Health care receivables (a)	(28,694)	42,754,586		456,182	(28,694)	38,138,231
11. Other non-health						
12. Medical incentive pools and bonus amounts	12,431,526	901,256	8,684,043	41,724,895	21,115,569	45,991,167
13. Totals (Lines 9 - 10 + 11 + 12)	108,397,870	1,387,752,081	16,539,771	173,597,400	124,937,641	143,577,383

(a) Excludes \$ 16,957 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)
Hospital & Medical

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	759,791	760,795	760,488	760,403	760,364
2. 2017	717,259	764,361	764,732	764,486	764,403
3. 2018	X X X	675,910	718,756	717,618	717,740
4. 2019	X X X	X X X	662,738	705,347	705,400
5. 2020	X X X	X X X	X X X	606,294	648,665
6. 2021	X X X	X X X	X X X	X X X	659,193

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	763,390	760,795	760,488	760,403	760,364
2. 2017	776,928	764,738	764,732	764,486	764,403
3. 2018	X X X	750,454	718,625	717,618	717,740
4. 2019	X X X	X X X	749,695	708,877	705,400
5. 2020	X X X	X X X	X X X	691,736	654,981
6. 2021	X X X	X X X	X X X	X X X	722,943

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	903,939	717,259			717,259	79.348			717,259	79.348
2. 2018	869,572	675,910			675,910	77.729			675,910	77.729
3. 2019	860,345	662,738			662,738	77.032			662,738	77.032
4. 2020	807,111	606,294	13,112	2.163	619,406	76.744	6,315	862	626,583	77.633
5. 2021	837,050	659,193	13,112	1.989	672,305	80.318	63,750	8,704	744,759	88.974

12.HM

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	44,694	44,828	44,842	44,847	44,851
2. 2017	41,516	46,654	46,771	46,777	46,781
3. 2018	X X X	42,938	48,800	48,968	48,540
4. 2019	X X X	X X X	44,760	51,452	51,091
5. 2020	X X X	X X X	X X X	41,172	44,594
6. 2021	X X X	X X X	X X X	X X X	43,711

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	44,714	44,828	44,842	44,847	44,851
2. 2017	47,439	46,694	46,771	46,777	46,781
3. 2018	X X X	49,788	48,919	48,968	48,540
4. 2019	X X X	X X X	53,420	50,821	51,091
5. 2020	X X X	X X X	X X X	45,763	44,599
6. 2021	X X X	X X X	X X X	X X X	49,248

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	59,551	41,516			41,516	69.715			41,516	69.715
2. 2018	59,572	42,938			42,938	72.077			42,938	72.077
3. 2019	59,740	44,760			44,760	74.925			44,760	74.925
4. 2020	60,681	41,172	880	2.137	42,052	69.300	5	1	42,058	69.310
5. 2021	60,351	43,711	880	2.013	44,591	73.886	5,536	642	50,769	84.123

12.MS

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	22,076	22,087	22,089	22,089	22,090
2. 2017	20,659	21,764	21,771	21,772	21,772
3. 2018	X X X	21,396	22,499	22,505	22,505
4. 2019	X X X	X X X	20,987	22,073	22,083
5. 2020	X X X	X X X	X X X	16,914	17,794
6. 2021	X X X	X X X	X X X	X X X	20,031

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	22,095	22,087	22,089	22,089	22,090
2. 2017	21,899	21,780	21,771	21,772	21,772
3. 2018	X X X	22,703	22,506	22,505	22,505
4. 2019	X X X	X X X	22,083	22,077	22,083
5. 2020	X X X	X X X	X X X	18,095	17,802
6. 2021	X X X	X X X	X X X	X X X	21,151

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	30,354	20,659			20,659	68.060			20,659	68.060
2. 2018	31,960	21,396			21,396	66.946			21,396	66.946
3. 2019	30,756	20,987			20,987	68.237			20,987	68.237
4. 2020	28,158	16,914	397	2.347	17,311	61.478	9	2	17,322	61.517
5. 2021	28,818	20,031	397	1.982	20,428	70.886	1,120	287	21,835	75.769

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior					
2. 2017	140				
3. 2018	X X X				
4. 2019	X X X	X X X			
5. 2020	X X X	X X X	X X X		
6. 2021	X X X	X X X	X X X	X X X	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior					
2. 2017		140			
3. 2018	X X X	416			
4. 2019	X X X	X X X			
5. 2020	X X X	X X X	X X X		
6. 2021	X X X	X X X	X X X	X X X	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017										
2. 2018	764	374			374	48.953			374	48.953
3. 2019	828	337			337	40.700			337	40.700
4. 2020	953	440			440	46.170			440	46.170
5. 2021	954	424			424	44.444			424	44.444

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UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)
Fed Emp Health Benefits Plan

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	100,538	100,621	100,658	100,658	100,637
2. 2017	94,717	105,801	105,812	105,812	105,777
3. 2018	X X X	100,591	93,085	93,085	93,054
4. 2019	X X X	X X X	102,865	102,865	109,228
5. 2020	X X X	X X X	X X X	95,133	105,493
6. 2021	X X X	X X X	X X X	X X X	105,693

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	100,560	100,621	100,658	100,651	100,637
2. 2017	103,197	105,893	105,812	105,796	105,777
3. 2018	X X X	109,997	93,095	93,088	93,054
4. 2019	X X X	X X X	109,992	109,325	109,228
5. 2020	X X X	X X X	X X X	103,078	106,063
6. 2021	X X X	X X X	X X X	X X X	115,907

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	111,865	94,717			94,717	84.671			94,717	84.671
2. 2018	124,336	100,591			100,591	80.903			100,591	80.903
3. 2019	117,667	102,865			102,865	87.420			102,865	87.420
4. 2020	116,045	95,133	2,197	2.309	97,330	83.873	570	85	97,985	84.437
5. 2021	129,716	105,693	2,197	2.079	107,890	83.174	10,214	1,518	119,622	92.218

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	507,725	508,162	508,037	507,981	508,011
2. 2017	472,389	512,163	512,669	512,840	512,908
3. 2018	X X X	469,154	438,955	438,590	438,583
4. 2019	X X X	X X X	472,427	507,508	507,513
5. 2020	X X X	X X X	X X X	498,362	536,807
6. 2021	X X X	X X X	X X X	X X X	587,167

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	510,571	508,162	508,037	507,981	508,011
2. 2017	529,322	513,120	512,669	512,840	512,908
3. 2018	X X X	526,004	439,588	438,590	438,583
4. 2019	X X X	X X X	536,386	510,982	507,513
5. 2020	X X X	X X X	X X X	568,671	546,449
6. 2021	X X X	X X X	X X X	X X X	675,496

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	590,047	472,389			472,389	80.060			472,389	80.060
2. 2018	600,598	469,154			469,154	78.114			469,154	78.114
3. 2019	604,830	472,427			472,427	78.109			472,427	78.109
4. 2020	669,128	498,362	11,819	2.372	510,181	76.246	9,642	849	520,672	77.814
5. 2021	714,122	587,167	11,819	2.013	598,986	83.877	88,329	7,774	695,089	97.335

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior					
2. 2017					
3. 2018	XXX				
4. 2019	XXX	XXX			
5. 2020	XXX	XXX	XXX		
6. 2021	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior					
2. 2017					
3. 2018	XXX				
4. 2019	XXX	XXX			
5. 2020	XXX	XXX	XXX		
6. 2021	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017										
2. 2018										
3. 2019										
4. 2020										
5. 2021										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior					
2. 2017	13,243	13,243	13,243	13,243	13,243
3. 2018	XXX	13,177	13,177	13,177	13,177
4. 2019	XXX	15,597	16,874	16,874	16,874
5. 2020	XXX	XXX	14,275	16,317	16,317
6. 2021	XXX	XXX	XXX	13,948	97,935
				XXX	17,621

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	13,210	13,243	13,243	13,243	13,243
2. 2017	12,407	13,177	13,177	13,177	13,177
3. 2018	XXX	16,410	16,874	16,874	16,874
4. 2019	XXX	XXX	18,137	16,317	16,317
5. 2020	XXX	XXX	XXX	19,767	97,935
6. 2021	XXX	XXX	XXX	XXX	22,725

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	23,595	11,948			11,948	50.638			11,948	50.638
2. 2018	22,065	15,597			15,597	70.687			15,597	70.687
3. 2019	24,000	14,275			14,275	59.479			14,275	59.479
4. 2020	25,168	13,948	370	2.653	14,318	56.890			14,318	56.890
5. 2021	24,510	17,621	370	2.100	17,991	73.403	5,104	270	23,365	95.328

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid					
	1 2017	2 2018	3 2019	4 2020	5 2021	
1. Prior		1,448,067	1,449,736	1,449,357	1,449,221	1,449,196
2. 2017		1,358,628	1,464,060	1,465,072	1,465,004	1,464,958
3. 2018	X X X		1,325,960	1,339,353	1,338,024	1,337,680
4. 2019	X X X		X X X	1,318,389	1,405,904	1,411,974
5. 2020	X X X		X X X		1,272,263	1,451,737
6. 2021	X X X		X X X	X X X		1,433,840

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior		1,454,540	1,449,736	1,449,214	1,449,196
2. 2017		1,491,192	1,465,542	1,465,072	1,464,988
3. 2018	X X X		1,475,772	1,339,991	1,338,027
4. 2019	X X X		X X X	1,490,050	1,418,741
5. 2020	X X X		X X X		1,447,550
6. 2021	X X X		X X X	X X X	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3 / 2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5 / 1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 (Col. 9 / 1) Percent
1. 2017	1,719,351	1,358,488			1,358,488	79.012			1,358,488	79.012
2. 2018	1,708,867	1,325,960			1,325,960	77.593			1,325,960	77.593
3. 2019	1,698,166	1,318,389			1,318,389	77.636			1,318,389	77.636
4. 2020	1,707,244	1,272,263	28,775	2.262	1,301,038	76.207	16,541	1,799	1,319,378	77.281
5. 2021	1,795,521	1,433,840	28,775	2.007	1,462,615	81.459	174,053	19,195	1,655,863	92.222

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UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves	12,489,233					12,489,233			
2. Additional policy reserves (a)	38,400,000	18,100,000					20,300,000		
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$ 0 for investment income)	9,977,912	1,860,000					8,117,912		
5. Aggregate write-ins for other policy reserves	31,900,000						31,900,000		
6. Totals (gross)	92,767,145	19,960,000				12,489,233	60,317,912		
7. Reinsurance ceded									
8. Totals (Net) (Page 3, Line 4)	92,767,145	19,960,000				12,489,233	60,317,912		
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits	500,000	500,000							
11. Aggregate write-ins for other claim reserves	2,859,000	2,859,000							
12. Totals (gross)	3,359,000	3,359,000							
13. Reinsurance ceded									
14. Totals (Net) (Page 3, Line 7)	3,359,000	3,359,000							

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DETAILS OF WRITE-IN LINES									
0501. RETROSPECTIVE RISK ADJ	31,900,000						31,900,000		
0502.									
0503.									
0598. Summary of remaining write-ins for Line 05 from overflow page									
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)	31,900,000						31,900,000		
1101. MATERNITY	2,859,000	2,859,000							
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)	2,859,000	2,859,000							

(a) Includes \$ 38,400,000 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ 7,037,878 for occupancy of own building)		74,267	8,083,020		8,157,287
2. Salaries, wages and other benefits	23,296,189	13,103,651	70,128,086		106,527,926
3. Commissions (less \$ 0 ceded plus \$ 0 assumed)			15,330,393		15,330,393
4. Legal fees and expenses	7,250	11,980	3,156,853		3,176,083
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services	359,493	418,342	14,339,202		15,117,037
7. Traveling expenses	3,539	19,830	163,543		186,912
8. Marketing and advertising	948	1,929	5,195,064		5,197,941
9. Postage, express and telephone	128,081	642,366	2,658,829		3,429,276
10. Printing and office supplies	9,471	1,100,471	1,908,833		3,018,775
11. Occupancy, depreciation and amortization	3,957	93,247	2,291,923		2,389,127
12. Equipment					
13. Cost or depreciation of EDP equipment and software	8,680,342	2,036,265	30,068,454		40,785,061
14. Outsourced services including EDP, claims, and other services	6,190,217	15,795,845	58,867,375		80,853,437
15. Boards, bureaus and association fees	99,832	29,400	2,052,871		2,182,103
16. Insurance, except on real estate			2,633,339		2,633,339
17. Collection and bank service charges					
18. Group service and administration fees			2,290,748		2,290,748
19. Reimbursements by uninsured plans	(10,458,601)	(10,990,968)	(63,007,904)		(84,457,473)
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses				2,719,176	2,719,176
22. Real estate taxes				1,595,685	1,595,685
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			902,523		902,523
23.2 State premium taxes			18,273,680		18,273,680
23.3 Regulatory authority licenses and fees			3,287,575		3,287,575
23.4 Payroll taxes	1,508,495	795,057	3,876,815		6,180,367
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere					
25. Aggregate write-ins for expenses	(1,168,244)	6,950,696	926,728	1,544,100	8,253,280
26. Total expenses incurred (Lines 1 to 25)	28,660,969	30,082,378	183,427,950	5,858,961	(a) 248,030,258
27. Less expenses unpaid December 31, current year	10,239,901	10,761,136	58,079,680		79,080,717
28. Add expenses unpaid December 31, prior year	8,714,190	11,228,048	53,954,894		73,897,132
29. Amounts receivable relating to uninsured plans, prior year					
30. Amounts receivable relating to uninsured plans, current year					
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	27,135,258	30,549,290	179,303,164	5,858,961	242,846,673

DETAILS OF WRITE-IN LINES					
2501. ADMINISTRATIVE ALLOWANCES	1,603,969	1,685,614	(467)		3,289,116
2502. MISCELLANEOUS	10,885	328,276	927,195		1,266,356
2503. HOME PLAN SERVICE CHARGE		7,899,070			7,899,070
2598. Summary of remaining write-ins for Line 25 from overflow page	(2,783,098)	(2,962,264)		1,544,100	(4,201,262)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(1,168,244)	6,950,696	926,728	1,544,100	8,253,280

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 1,084,858	1,033,589
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 10,010,170	10,157,384
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 1,287,126	1,287,126
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	2,102,396	2,102,396
3. Mortgage loans	(c)	
4. Real estate	(d) 5,820,587	5,820,587
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 172,196	172,220
7. Derivative instruments	(f)	
8. Other invested assets	261,636	261,636
9. Aggregate write-ins for investment income		(690,580)
10. Total gross investment income	20,738,969	20,144,358
11. Investment expenses		(g) 5,858,961
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i) 2,723,017
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		8,581,978
17. Net investment income (Line 10 minus Line 16)		11,562,380

DETAILS OF WRITE-IN LINES		
0901. INVESTMENT EXPENSES INTERNAL COSTS INVESTING AND INCOME		(372,470)
0902. PROMPT PAY INTEREST		(318,110)
0903.		
0998. Summary of remaining write-ins for Line 09 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		(690,580)
1501.	NONE	
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$ 323,567 accrual of discount less \$ 1,795,251 amortization of premium and less \$ 213,283 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(104,007)		(104,007)		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	369,740		369,740	(176,745)	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	32,556		32,556	1,769,517	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	5,943,108		5,943,108	8,137,459	
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets		(294,667)	(294,667)	1,777,894	
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	6,241,397	(294,667)	5,946,730	11,508,125	

DETAILS OF WRITE-IN LINES					
0901.	NONE				
0902.					
0903.					
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	4,588,227	6,646,817	2,058,590
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers		161,927	161,927
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	421,179	440,261	19,082
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software	38,746,441	28,725,293	(10,021,148)
21. Furniture and equipment, including health care delivery assets	574,647	631,597	56,950
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable	2,693,314	2,179,529	(513,785)
25. Aggregate write-ins for other-than-invested assets	16,465,271	18,342,322	1,877,051
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	63,489,079	57,127,746	(6,361,333)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	63,489,079	57,127,746	(6,361,333)

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. PREPAID EXPENSES	14,637,739	15,796,901	1,159,162
2502. LEASEHOLD IMPROVEMENTS	1,019,547	1,490,791	471,244
2503. LOAN & INTEREST RECEIVABLE	455,000		(455,000)
2598. Summary of remaining write-ins for Line 25 from overflow page	352,985	1,054,630	701,645
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	16,465,271	18,342,322	1,877,051

NONE

EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations						
2. Provider Service Organizations						
3. Preferred Provider Organizations	206,743	208,863	207,886	209,992	210,554	2,510,351
4. Point of Service						
5. Indemnity Only	817	799	779	735	715	9,204
6. Aggregate write-ins for other lines of business	175,578	179,003	177,643	174,040	173,154	2,113,151
7. Total	383,138	388,665	386,308	384,767	384,423	4,632,706

DETAILS OF WRITE-IN LINES							
0601. DENTAL ONLY		77,476	77,632	76,122	76,209	75,646	916,560
0602. STOP LOSS		45,465	49,998	49,798	46,400	46,145	579,148
0603. MEDICARE SUPPLEMENT		24,975	24,320	24,186	23,669	23,582	287,938
0698. Summary of remaining write-ins for Line 06 from overflow page		27,662	27,053	27,537	27,762	27,781	329,505
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		175,578	179,003	177,643	174,040	173,154	2,113,151

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 2021 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 2017, the Plan has obtained a permitted practice to fully non-admit its DTA balance related to AMT credits, and to record no impact to its statutory capital and surplus as a result of the accounting for AMT credits, until such time as any amount of the AMT credit is used to offset Federal Income tax obligations or refunded to BCBSRI in cash by the IRS, which did occur in 2020. If the AMT credits were admitted net income would be lower by \$18,129,052 for December 31, 2020 and there is no impact for December 31, 2021. The AMT credits were received in the 3rd quarter of 2020. There is no impact to surplus for December 31, 2021 and December 31, 2020.

<u>NET INCOME</u>	<u>SSAP#</u>	<u>F/S</u> <u>Page</u>	<u>F/S</u> <u>Line #</u>	<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
(1) The Plan's state basis (RI)	xxx	xxx	xxx	\$ 13,167,522	\$ 42,421,212
(2) State prescribed practice that inc/(dec) NAIC SAP				-	-
(3) State permitted practice that inc/(dec) NAIC SAP	INT 18-01	4	31	-	(18,129,052)
(4) NAIC SAP	xxx	xxx	xxx	<u>\$ 13,167,522</u>	<u>\$ 24,292,160</u>
				<u>Dec 31, 2021</u>	<u>Dec 31, 2020</u>
(5) The Plan's state basis (RI)	xxx	xxx	xxx	\$ 434,692,861	\$ 415,814,234
(6) State prescribed practice that inc/(dec) NAIC SAP				-	-
(7) State permitted practice that inc/(dec) NAIC SAP				-	-
(8) NAIC SAP	xxx	xxx	xxx	<u>\$ 434,692,861</u>	<u>\$ 415,814,234</u>

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

The preparation of the financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Income Tax Accounting Implications of the Tax Cuts and Jobs Act

Beginning in calendar tax year 2018, the Tax Cuts and Jobs Act of 2017 (“TCJA”) repealed the corporate AMT. The TCJA made the AMT credit 100% refundable over the years 2018 through 2021. 50% of the total AMT Credit amount was refundable in tax year 2018, with the remainder refunded over the following three tax years.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was enacted into law. The CARES Act included a provision accelerating the ability of companies to recover their AMT credits, permitting companies to claim full refunds starting in 2018 and/or 2019 in order to access additional cash flow during the COVID-19 emergency. BCBSRI filed on April 17, 2020 Form 1139, Corporate Application for Tentative Refund, pursuant to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to claim unused Alternative Minimum Tax Credit immediately on its filed 2018 Form 1120-PC. This has resulted in a cash refund of \$36,258,104 the entire amount of BCBSRI’s remaining AMT credit. The amount was received from the IRS in 2020 and is reflected in the income statement as a credit to federal and foreign income taxes incurred in 2020.

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the effective interest rate method.
- (3) Common stocks at fair market value except the investments in stocks of uncombined subsidiaries and affiliates in which the Plan has an interest of 20% or more are carried on the equity basis.
- (4) Preferred stock is stated in accordance with guidance provided in SSAP No. 32.
- (5) The Plan does not have mortgage loans on real estate.
- (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.

NOTES TO FINANCIAL STATEMENTS

- (7) The Plan has a minority interest in International Blue Solutions, LLC with a carrying value of \$1,251,977. The Plan also has a minority interest in Blue Health Intelligence Co, LLC of \$1,435,504. The Plan also has a minority interest in Prime Therapeutics of \$18,658,885. The Plan also has a minority interest in Oak Street Health-RI, LLC of \$2,531,710. The Plan also has a minority interest in BCBS Venture Partners, LLC of \$1,427,004.
- (8) The Plan has minor ownership interests in partnerships and limited liability companies. The value of these interests are based on the underlying audited GAAP equity of the investee.
- (9) The Plan does not own derivative investments.
- (10) The Plan considers anticipated investment income as a factor in premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Plan has not modified its capitalization policy from the prior period.
- (13) The Plan's pharmacy benefit manager provides estimated pharmacy rebates on a quarterly basis.

D. Going Concern

Management continually evaluates the Plan's ability to continue as a going concern. After considering management's plans, potential events and principal conditions, there is no substantial doubt about the Plan's ability to continue as a going concern.

2. Accounting Changes and Correction of Errors

There were no Accounting Changes and Correction of Errors in 2021.

3. Business Combinations and Goodwill

There were no Business Combinations and resulting Goodwill in 2021.

4. Discontinued Operations

The Plan did not incur discontinued operations for 2021.

5. Investments

- A. The Plan did not have any outstanding mortgage loans in 2021.
- B. The Plan did not have any debt restructuring in 2021.
- C. The Plan did not have any reverse mortgages in 2021.
- 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:

	<u>1</u>	<u>2</u>	<u>3</u>
	Amortized Cost Basis Before Other-Than- Temporary- Impairment	Other-than- Temporary- Impairment Recognized in Loss	Fair Value 1 - 2
OTTI recognized 4th Qtr			
j. Intent to sell	--	--	--
l. Total 4 th Qtr	--	--	--
m. Annual Aggregate Total	--	--	--

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

NOTES TO FINANCIAL STATEMENTS

<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>
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
Total	--	--	--	--	--	

(4) Loan-backed securities with unrealized losses as of December 31, 2021:

Loan-Backed Securities

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$1,358,026
2. 12 Months or Longer	\$0

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

1. Less than 12 Months	\$72,111,525
2. 12 Months or Longer	\$0

- (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 December 31, 2021, 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

- 1) For repurchase agreements, the Plan ensures that the fair market value of the collateralized security is equal to or exceeds the amount under agreement to repurchase.
- 2) The Plan has investments pledged as collateral. The securities are US Treasury Bonds and Corporate Bonds with a carrying value of \$98,244,293.
- 3) The Plan has not accepted any collateral.
- 4) The Plan does not have any securities lending transactions.
- 5) The Plan does not have any collateral reinvestment.
- 6) The Plan has not accepted any collateral.
- 7) The Plan does not have any securities lending transactions.

F. Repurchase agreements accounted for as secured borrowing is non-applicable.

G. Reverse repurchase agreements accounted for as secured borrowing is non-applicable.

H. Repurchase agreements accounted for as a sale is non-applicable.

I. Reverse repurchase agreements accounted for as sale is non-applicable.

J. The Plan does not hold real estate for investment purposes.

K. The Plan does not have any low-income housing credits.

L. 1) Restricted Assets

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	Total Gross (Admitted & No admitted) Restricted from Current Year	Total Gross (Admitted & No admitted) Restricted from Prior Year	Increase / (Decrease) (1 minus 2)	Total Current Year No admitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross (Admitted & No admitted) Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ 31,158,000	\$ 31,183,000	\$ (25,000)	\$ -	\$ 31,158,000	3.15%	3.37%
b. Collateral held under security lending agreements	--	--	--	--	--	--	--
c. Subject to repurchase agreements	12,399	14,418	(2,019)	--	12,399	0.00%	0.00%
d. Subject to reverse repurchase agreements	--	--	--	--	--	--	--
e. Subject to dollar repurchase agreements	--	--	--	--	--	--	--
f. Subject to dollar reverse repurchase agreements	--	--	--	--	--	--	--
g. Placed under option contracts	--	--	--	--	--	--	--
securities restricted as to sale	--	--	--	--	--	--	--
i. FHLB capital stock	351,800	351,800	-	--	351,800	0.04%	0.04%
j. On deposit with states	--	--	--	--	--	--	--
k. On deposit with regulatory bodies	--	--	--	--	--	--	--
l. Pledged as collateral FHLB	66,722,094	57,051,925	9,670,169	--	66,722,094	6.75%	7.22%
m. Pledged as collateral not captured in other categories	--	--	--	--	--	--	--
n. Other restricted assets	--	--	--	--	--	--	--
o. Total Restricted Assets	<u>\$ 98,244,293</u>	<u>\$ 88,601,143</u>	<u>\$ 9,643,150</u>	<u>\$ -</u>	<u>\$ 98,244,293</u>	<u>9.94%</u>	<u>10.63%</u>

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

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

2) Pledged Assets not captured in other categories is not applicable to the Plan.

3) Other Restricted Assets is not applicable to the Plan.

4) The Plan does not have any Collateral received in Assets

M. The Plan does not have any Working Capital Finance Investments.

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

O. The Plan does not own only 5GI* Securities.

P. The Plan does not have any short sales.

Q. Prepayment Penalty and Acceleration fees

(1) Number of CUSIPs	<u>12</u>
(2) Aggregate Amount of Investment Income	<u>\$ 148,849</u>

R. Reporting Entity's Share of Cash Pool by Asset type

	<u>Asset Type</u>	<u>Percentage Share</u>
(1)	Cash	48.5%
(2)	Cash Equivalents	51.5%
(3)	Short-Term Investments	<u>0.0%</u>
(4)	Total	<u>100.0%</u>

6. Joint Ventures, Partnerships and Limited Liability Companies

The Plan does not have an investment interest in joint ventures, partnerships and limited liability companies that individually exceeds 10% of its admitted assets.

7. Investment Income

The Plan has not excluded from assigned funds (surplus) any investment income due and accrued.

NOTES TO FINANCIAL STATEMENTS

8. Derivative Instruments

The Plan does not own any derivative instruments.

9. Income Taxes

SSAP 101 became effective from January 1, 2012.

A. The components of the net deferred tax asset / (liability) at December 31 are as follows:

(1)	12/31/2021			12/31/2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
	(000's)								
(a) Gross deferred tax assets	\$ 53,785	\$ -	\$ 53,785	\$ 51,481	\$ 619	\$ 52,100	\$ 2,304	\$ (619)	\$ 1,685
(b) Statutory valuation allow	(45,283)	-	(45,283)	(45,806)	(619)	(46,425)	523	619	1,142
(c) Adjusted gross deferred tax	\$ 8,502	\$ -	\$ 8,502	\$ 5,675	\$ -	\$ 5,675	\$ 2,827	\$ -	\$ 2,827
(d) Deferred tax not admitted	-	-	-	-	-	-	-	-	-
(e) Subtotal (net deferred tax asset)	\$ 8,502	\$ -	\$ 8,502	\$ 5,675	\$ -	\$ 5,675	\$ 2,827	\$ -	\$ 2,827
(f) Deferred tax liabilities	-	(8,502)	(8,502)	-	(5,675)	(5,675)	-	(2,827)	(2,827)
(g) Gross deferred tax asset / (liability)	\$ 8,502	\$ (8,502)	\$ -	\$ 5,675	\$ (5,675)	\$ -	\$ 2,827	\$ (2,827)	\$ -

(2) Admission calculation components:

	12/31/2021			12/31/2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
	(000's)								
(a) Admitted pursuant to II.a. loss carrybacks)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Admitted pursuant to II.b. Realization per II.b.i	\$ 8,502	\$ (8,502)	\$ -	\$ 5,675	\$ (5,675)	\$ -	\$ 2,827	\$ (2,827)	\$ -
Realization per II.b.ii	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	N/A	N/A	\$ -	N/A	N/A	\$ -	N/A	N/A	\$ -
(c) SSAP No. 10R, Parag 10.e.ii.a	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(d) SSAP No. 10R, Parag 10.e.ii.b	\$ 8,502	\$ (8,502)	\$ -	\$ 5,675	\$ (5,675)	\$ -	\$ 2,827	\$ (2,827)	\$ -

(3) Used in 11.b.

	<u>2021</u>	<u>2020</u>
(a) Ratio percentage used to determine recovery Period and threshold limitation amount	686.5%	709.4%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 64,516,235	\$ 62,175,218

(4) Impact of tax planning strategies (TPS) on adjusted gross DTAs and net admitted DTAs

	12/31/2021			12/31/2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
	percentages								
(a) Adjusted gross DTAs - percentage	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(b) Admitted gross DTAs - percentage	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(c) Does the Plan's tax planning strategies include the use of reinsurance? Yes ___ No <u>X</u>									

B. Temporary differences for which a DTL has not been established:

N/A

C. Significant components of income taxes incurred.

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

	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>Change</u>
(1) Current Income Tax			
(a) Federal	\$ -	\$ (36,258,104)	\$ 36,258,104
(b) Foreign	0	0	0
(c) Subtotal	-	(36,258,104)	36,258,104
(d) Federal Income Tax on net capital gains	0	0	0
(e) Utilization on capital loss carry-forwards	0	0	0
(f) Other	0	0	0
(g) Federal and foreign income taxes incurred	\$ -	\$ (36,258,104)	\$ 36,258,104

NOTES TO FINANCIAL STATEMENTS

(2) Deferred Tax Assets

a. Ordinary	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>Change</u>
(1) Discount of unpaid losses	\$ 899,439	\$ 626,459	\$ 272,980
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Intangibles	5,154,311	5,162,110	(7,799)
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	3,383,555	1,319,020	2,064,535
(8) Compensation and benefits accrual	5,382,337	4,663,440	718,897
(9) Pension accrual	861,521	1,232,428	(370,907)
(10) Receivables - nonadmitted	823,720	771,628	52,092
(11) Net operating loss carry-forward	20,267,794	20,620,204	(352,410)
(12) Tax credit carry-forward	-	-	-
(13) Other	17,012,315	17,085,364	(73,049)
(99) Subtotal - Gross ordinary DTAs	<u>\$ 53,784,992</u>	<u>\$ 51,480,653</u>	<u>\$ 2,304,339</u>
b. Statutory valuation allowance Adjustment	\$ (45,283,466)	\$ (45,805,674)	\$ 522,208
c. Nonadmitted	-	-	-
d. Admitted Ordinary Deferred Tax Assets	<u>\$ 8,501,526</u>	<u>\$ 5,674,979</u>	<u>\$ 2,826,547</u>
e. Capital			
(1) Investments	\$ -	\$ -	\$ -
(2) Net capital loss carry-forward	-	619,178	(619,178)
(3) Real estate	-	-	-
(4) Other	-	-	-
(99) Subtotal - Capital DTAs	<u>\$ -</u>	<u>\$ 619,178</u>	<u>\$ (619,178)</u>
f. Statutory valuation allowance adjustment	-	(619,178)	619,178
g. Nonadmitted	-	-	-
h. Admitted Capital Deferred Tax Assets	<u>-</u>	<u>-</u>	<u>-</u>
i. Admitted Deferred Tax Asset	<u>\$ 8,501,526</u>	<u>\$ 5,674,979</u>	<u>\$ 2,826,547</u>

(3) Deferred Tax Liabilities

a. Ordinary	<u>12/31/2021</u>	<u>12/31/2020</u>	<u>Change</u>
(1) Investments	-	-	-
(2) Fixed Assets	-	-	-
(3) Deferred and Uncollected Premium	-	-	-
(4) Policyholder Reserves	-	-	-
(5) Other	-	-	-
(99) Subtotal - Ordinary DTLs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
b. Capital			
(1) Investments	\$ (8,501,526)	\$ (5,674,979)	\$ (2,826,547)
(2) Real Estate	0	0	-
(3) Other	0	0	-
(99) Subtotal - Capital DTLs	<u>\$ (8,501,526)</u>	<u>\$ (5,674,979)</u>	<u>\$ (2,826,547)</u>
c. Deferred Tax Liabilities	<u>\$ (8,501,526)</u>	<u>\$ (5,674,979)</u>	<u>\$ (2,826,547)</u>
(4) Net Deferred Tax Assets/Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

D. Nature of significant reconciling items for income taxes incurred and change in DTAs and DTLs

NOTES TO FINANCIAL STATEMENTS

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

	<u>Amount</u>	<u>Tax Effect</u>	<u>Effective Tax Rate</u>
Income before Taxes (including all realized capital gains/losses)	\$ 13,167,522	\$ 2,765,180	21.00%
Health Insurer fee	-	-	0.00%
Special 3 month reserve deduction	(16,698,447)	(3,506,674)	-26.63%
Change in Unrealized gains/losses	12,072,437	2,535,212	19.25%
Revisions to estimates	(136,203)	(28,603)	-0.22%
Statutory Valuation Allowance Adjustment	(5,435,175)	(1,141,387)	-8.67%
Permenant differences	3,188,940	669,677	5.09%
Change in non-admitted assets	(6,361,334)	(1,335,880)	-10.15%
Other	202,260	42,475	0.33%
Total	<u>\$ -</u>	<u>\$ -</u>	<u>0.00%</u>
Federal Income Taxes Incurred		\$ -	0.00%
Change in net deferred income taxes		-	0.00%
Total statutory income taxes		<u>\$ -</u>	<u>0.00%</u>

E. **Carryforwards, recoverable taxes, and IRC 6603 deposits**

Plan has net operating loss carryforwards of \$96,513,306 expiring through calendar years 2031 to 2036.

Plan has capital loss carryforwards of \$5,110,907 expiring in calendar year 2026.

Income taxes, ordinary capital, available for recoupment in the event of future losses include:

The Plan has no income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses.

Deposits admitted under IRC 6603

N/A

F. **Income Tax loss contingencies**

The Plan has not recorded any contingencies related to taxes.

G. **The Plan's federal income tax return is consolidated with the following entities:**

The Plan does not join in the filing of a consolidated federal income tax return.

H. **Repatriation Transition Tax (RTT)**

Not applicable

I. **Alternative Minimum Tax Credit**

(1) Gross AMT Credit Recognized as:

a. Current Year Recoverable	\$	-
b. Deferred Tax Asset (DTA)	\$	-
(2) Beginning Balance of AMT Credit Carryforward	\$	-
(3) Amount Recovered	\$	-
(4) Adjustments	\$	-
(5) Ending Balance AMT Credit Carryforward	\$	-
(6) Reduction for Sequestration	\$	-
(7) Nonadmitted by Reporting Entity	\$	-
(8) Reporting Entity Ending Balance	\$	-

10. **Information Concerning Parent, Subsidiaries and Affiliates**

A. See Schedule Y Part I for nature of relationship.

B. BCBSRI made an investment in OSH-RI, LLC on November 20, 2018 of \$3,493,000. BCBSRI made additional contributions in OSH-RI, LLC for the periods ended December 31, 2021 and 2020 of \$4,141,700 and \$5,943,000, respectively. BCBSRI current carrying value as of December 31, 2021 in OSH-RI, LLC is \$2,531,710.

C. – O. Non-Applicable

11. **Debt**

A. **Mortgage on Building**

NOTES TO FINANCIAL STATEMENTS

- (1) Date issued is January 14, 2008.
- (2) Bank loan for corporate office building.
- (3) The maximum loan amount is \$90,000,000.
- (4) Carrying value of loan is \$48,811,104.
- (5) The rate at which interest accrues is 30-day LIBOR plus an agreed upon spread (basis points).
- (6) The effective interest rate is equivalent to the 30-day LIBOR plus an agreed upon spread (basis points).
- (7) Office building structure.
- (8) Interest paid year to date is \$2,925,662.
- (9) Loan converted to fixed rate mortgage instrument in February 2010.
- (10) Non-Applicable
- (11) Non-Applicable
- (12) Non-Applicable

B. FHLB (Federal Home Loan Bank) Agreements

- (1) The Plan is a member of the Federal Home Loan Bank (FHLB) of Boston. Through its membership, the Plan has conducted business activity with FHLB. It is part of the Plan's strategy to utilize these funds as backup liquidity if necessary. The Plan has determined the actual maximum borrowing capacity as \$60,000,000. The Plan has calculated this amount with approval from the Plans Board of Directors.

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

	Total
(a) Membership Stock - Class A	\$ -
(b) Membership Stock - Class B	\$ 319,800
(c) Activity Stock	\$ 32,000
(d) Excess Stock	\$ -
(e) Aggregate Total (a+b+c+d)	\$ 351,800
(f) Actual or Estimate Borrowing Capacity as Determined by the Insurer	\$ 60,000,000

2. Prior Year-End

	Total
(a) Membership Stock - Class A	\$ -
(b) Membership Stock - Class B	\$ 319,800
(c) Activity Stock	\$ 32,000
(d) Excess Stock	\$ -
(e) Aggregate Total (a+b+c+d)	\$ 351,800
(f) Actual or Estimate Borrowing Capacity as Determined by the Insurer	\$ 60,000,000

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)

11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

	<u>1</u>	<u>2</u>	Eligible for Redemption			
			<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
	Current Year Total	Not Eligible for Redemption	Less Than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
Member Stock	(2+3+4+5+6)					
1. Class A	0	0	0	0	0	0
2. Class B	319,800	319,800	0	0	0	0

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)

11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(2) Total (Column 1)

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	<u>1</u>	<u>2</u>	<u>3</u>
	Fair Value	Carrying Value	Aggregate Total Borrowing
1. Current Year Total Collateral Pledged	\$ 71,102,714	\$ 66,722,094	\$ -
2. Prior Year-end Total Collateral Pledged	\$ 61,908,888	\$ 57,051,925	\$ -

11B(3)a1 (Columns 1, 2, and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2, and 3, respectively)

11B(3)a2 (Columns 1, 2, and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2, and 3, respectively)

b. Maximum amount Pledged During Reporting Period

	<u>1</u>	<u>2</u>	<u>3</u>
	Fair Value	Carrying Value	Aggregate Total Borrowed at Time of Maximum Collateral
1. Current Year Total Maximum Collateral Pledged	\$ 71,102,714	\$ 66,722,094	\$ -
2. Prior Year-end Total Collateral Maximum Pledged	\$ 67,183,002	\$ 61,165,521	\$ 60,000,000

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

	Total	Funding Agreements Reserves Established	
1. Current year			
(a) Debt	\$ -	xxx	
(b) Funding Agreements	\$ -	\$ -	
(c) Other	\$ -	xxx	
(d) Aggregate Total (a+b-c)	\$ -	\$ -	
2. Prior Year-end			
(a) Debt	\$ -	xxx	
(b) Funding Agreements	\$ -	\$ -	
(c) Other	\$ -	xxx	
(d) Aggregate Total (a+b-c)	\$ -	\$ -	

b. Maximum Amount during Reporting period (Current Year)

	Total	
1. Debt	\$ -	
2. Funding Agreements	\$ -	
3. Other	\$ -	
4. Aggregate Total	\$ -	
Lines (1+2+3)		

11B(4)b4 should be equal to or greater than 11B(4)a1(d)

c. FHLB - Prepayment Obligations

	Does the company have prepayment obligations under the following arrangements (YES/NO)?	
1. Debt	NO	
2. Funding Agreements	NO	
3. Other	NO	

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

A) Defined Benefit Plan

The Plan terminated its defined benefit plan in 2015.

Supplemental Executive Retirement Plans (SERP)

NOTES TO FINANCIAL STATEMENTS

The Supplemental Executive Retirement Plans (“SERP”) are non-qualified defined benefit pension plans for certain executives as designated by the Board of Directors. There are annuities and installment payments made to retired participants.

Effective January 1, 2014 the SERP was frozen for active executives as designated by the Board of Directors. The designated executives will no longer accrue additional benefits based on pay and service subsequent to December 31, 2013.

Postretirement Benefit Plans

Eligible employees hired prior to January 1, 1992, who retire on or after attaining normal retirement age and who have rendered specific years of service under the provisions of the Blue Cross & Blue Shield of Rhode Island Retirement Plan are entitled to certain postretirement health care, medical coverage, and life insurance benefits. The Plan may amend or change the postretirement benefits periodically. Effective January 1, 1993, except for those employees who have an exemption based on circumstances previously existing, these benefits are now subject to copayment provisions and other limitations. Effective April 1, 2013, a plan amendment for retiree insurance benefits was adopted whereby eligible active and former employees that had not attained retirement age of 55 or older and had not been collecting these benefits would not be entitled to these benefits upon retirement. The discontinued retiree benefits were life insurance and a group health insurance subsidy.

- (1) The following tables set forth the funding status and amounts recognized in the Plan’s Statutory Statements of Admitted Assets, Liabilities and Reserves at December 31, 2021 and 2020 for the Defined Benefit Plan, for the SERP and the Postretirement Benefit Plan:

SERP:	(In Thousands)			
	Overfunded		Underfunded	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Change in Projected Benefit Obligation:				
(1) Benefit obligation at beginning of year	\$ -	\$ -	\$ 4,618	\$ 4,136
(2) Service cost	-	-	-	-
(3) Interest cost	-	-	108	127
(4) Contributions by plan participants	-	-	-	-
(5) Actuarial gain (loss)	-	-	(227)	473
(6) Foreign currency exchange rate	-	-	-	-
(7) Benefit and administrative expenses paid	-	-	(118)	(118)
(8) Plan amendments	-	-	-	-
(9) Curtailment, settlements, etc.	-	-	-	-
(10) Benefit obligation at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,381</u>	<u>\$ 4,618</u>

Postretirement Benefits:	(In Thousands)			
	Overfunded		Underfunded	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Change in Projected Benefit Obligation:				
(1) Benefit obligation at beginning of year	\$ -	\$ -	\$ 13,793	\$ 14,414
(2) Service cost	-	-	-	-
(3) Interest cost	-	-	259	389
(4) Contributions by plan participants	-	-	-	-
(5) Actuarial gain (loss)	-	-	(237)	(56)
(6) Foreign currency exchange rate	-	-	-	-
(7) Benefit and administrative expenses paid	-	-	(933)	(954)
(8) Plan amendments	-	-	-	-
(9) Curtailment, settlements, etc.	-	-	-	-
(10) Benefit obligation at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,882</u>	<u>\$ 13,793</u>

NOTES TO FINANCIAL STATEMENTS

(2) Change in Plan Assets:

(In Thousands)

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
a. Fair value of assets at beginning of year	\$ -	\$ -	\$ -	\$ -
b. Actual return on plan assets	-	-	-	-
c. Foreign currency exchange rate	-	-	-	-
d. Contribution by reporting entity	118	118	933	954
e. Contribution by plan participants	-	-	-	-
f. Benefits paid	(118)	(118)	(933)	(954)
g. Business combinations & settlements	-	-	-	-
h. Fair value of assets at the end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(3) Funded Status:

(In Thousands)

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
a. Components:				
1. Prepaid benefit costs	\$ -	\$ -	\$ -	\$ -
2. Overfunded plan assets	-	-	-	-
3. Accrued benefit costs	3,065	3,042	10,112	10,719
4. Liability for benefits	1,316	1,576	2,770	3,074
b. Assets and liabilities recognized	-	-	-	-
1. Assets (nonadmitted)	-	-	-	-
2. Liabilities recognized	4,381	4,618	12,882	13,793
c. Unrecognized liabilities	-	-	-	-

(4) Net periodic benefit cost for 2021 and 2020 included the following components:

(In Thousands)

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
a. Service cost	\$ -	\$ -	\$ -	\$ -
b. Interest cost	108	127	259	389
c. Expected return on plan assets	-	-	-	-
d. Transition asset or obligation	-	-	-	-
e. Gains and losses	33	21	279	290
f. Prior service cost or credit	-	-	(212)	(212)
g. G/L due to settlement or curtailment	-	-	-	-
h. Net periodic benefit cost	<u>\$141</u>	<u>\$148</u>	<u>\$ 326</u>	<u>\$ 467</u>

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

(In Thousands)

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
a. Items not yet recognized as a component of net periodic cost - prior year	\$ -	\$ -	\$ -	\$ -
b. Net transition asset or obligation recognized	-	-	-	-
c. Net prior service cost or credit arising during the period	-	-	-	-
d. Net prior service cost or credit recognized	-	-	-	-
e. Net gain and loss arising during the period	-	-	-	-
f. Net gain and loss recognized	-	-	-	-
g. Items not yet recognized as a component of net periodic cost - current year	-	-	-	-

(6) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

a. Net transition asset or obligation	\$ -	\$ -	\$ -	\$ -
b. Net prior service cost or credit	-	-	-	-
c. Net recognized gains and losses	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

(7) Actuarial assumptions used in the accounting at the measurement date were:

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Weighted-average assumptions used to determine net periodic benefit cost:				
a. Discount Rate	2.37%	3.13%	1.96%	2.83%
b. Expected return on plan assets	-	-	-	-
c. Rate of compensation increase	N/A	N/A	-	-
d. Interest crediting rates	N/A	N/A	N/A	N/A
Weighted-average assumption used to determine projected benefit obligations:				
e. Discount Rate	2.71%	2.37%	2.36%	1.96%
f. Rate of compensation increase	N/A	N/A	-	-
g. Interest crediting rates	N/A	N/A	N/A	N/A

(8) The accumulated benefit obligation for the SERP was \$4,381,099 and \$4,618,317 as of year ended 2021 and 2020 respectively

(9) The assumed annual rate of increase in the per capita cost of medical benefits is 5.80% in 2021 and is assumed to decrease through years 2030 and remain level at 5.18% through 2050.

(10) The following benefit payment, which reflected expected future services, as appropriate, are expected to be paid.

	<u>Year</u>	<u>SERP Pension Benefits</u>	<u>Postretirement Benefits*</u>
a.	2022	126,000	1,156,000
b.	2023	139,000	1,107,000
c.	2024	152,000	1,054,000
d.	2025	168,000	984,000
e.	2026	168,000	936,000
f.	2027-2031	976,000	3,954,000

*excludes receivables for Medicare Part D subsidy

(11) The Plan expects to contribute \$126,000 to its SERP and \$1,156,000 to its postretirement benefits in 2022.

(12) Securities type

<u>Asset Category</u>	<u>Plan Assets</u>	
	<u>2021</u>	<u>2020</u>
Equity Securities	0.00%	0.00%
Debt Securities	0.00%	0.00%
Other	0.00%	0.00%
Total	0.00%	0.00%

The Plan does not have any investment assets in the pension plan's

(13) Not applicable

(14) Not applicable

(15) Not applicable

(16) Not applicable

NOTES TO FINANCIAL STATEMENTS

(17) Pension Plans with an accumulated benefit obligation in excess of plan asset

(In Thousands)

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Projected benefit obligation	\$4,381	\$ 4,618	\$12,882	\$13,793
Accumulated benefit obligation	4,381	4,618	12,882	13,793
Fair value of plan assets	-	-	-	-

Pension Plans with plan asset in excess of accumulated benefit obligations

(In Thousands)

	SERP		Postretirement	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Projected benefit obligation	N/A	N/A	N/A	N/A
Accumulated benefit obligation	N/A	N/A	N/A	N/A
Fair value of plan assets	N/A	N/A	N/A	N/A

(18) Not applicable

B. Not applicable the Plan does not hold any plan assets.

C. The following table provides information as of December 31, 2021 and 2020 about the Plan's pension plan financial assets by asset category.

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Equity Mutual Funds	\$ -	\$ -	\$ -	\$ -
Fixed Income Mutual Funds	-	-	-	-
General Investment Account	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	December 31, 2020			
	Level 1	Level 2	Level 3	Total
Mutual Funds				
Equity Mutual Funds	\$ -	\$ -	\$ -	\$ -
Fixed Income Mutual Funds	-	-	-	-
General Investment Account	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2. Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 - Quoted prices in markets that are not active, or inputs that are observable either directly or indirectly, for substantially the full term of the asset or liability;

Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

D. The Plan does not hold any plan assets.

E. Employee Savings Plan

Participant contributions to the plan are derived from voluntary salary reduction agreements with the employer. The participant may, subject to the Internal Revenue Service (IRS) compensation deferral limits, contribute from 1% to 60% of his or her plan compensation, as defined, as a pre-tax basic contribution. The participant may then contribute a supplemental pre-tax contribution which, when combined with the participant's basic contribution, shall not exceed 60% of the participant's plan compensation, as defined. In addition, after-tax contributions up to 8% of the participant's plan compensation, as defined, may be made as long as total contributions do not exceed IRS guidelines. The employer contributes an amount equal to 100% of the participant's basic salary deferral contribution subject to a maximum of 6% of compensation.

NOTES TO FINANCIAL STATEMENTS

Upon enrollment in the plan, a participant may direct participant and employer contributions in 1% increments with a minimum contribution of 1% in any of the investment options. Participants may change their contribution percentage and investment selections in accordance with stated plan requirements. Participants that contribute on a pre-tax basis up to 6% an equal amount will be matched by the Plan. Total employer contributions to the 401(k) savings plan in 2021 and 2020 were approximately \$6,323,000 and \$4,291,000, respectively.

- F. Multiemployer Plans is not applicable.
- G. Holding company Plans is not applicable
- H. Postemployment Benefits
 - The Plan provides for certain postemployment benefits including disability benefits for eligible employees.
 - The Plan has not recorded a liability for these benefits at December 31, 2021 and 2020, respectively.
- I. Impact of Medicare Modernization Act on Postretirement Benefits is no longer applicable as of 2010.

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

- A) The Plan does not have any capital stock.
- B) The Plan does not have any preferred stock.
- C) The Plan does not have any dividend restrictions.
- D) The Plan does not have any ordinary dividends.
- E) The Plan does not have any paid dividends.
- F) The Plan does not have any restrictions on unassigned funds.
- G) The Plan does not have any advances to surplus unpaid.
- H) The Plan does not have any conversion of preferred stock, employee stock options and stock purchase warrants.
- I) The Plan has reported \$0 and \$0 as separate surplus fund Page 3, Line 25 relating to the PPACA Health Insurer fee that for the period ended CY 2021 and CY 2020, respectively.
- J) The portion of unassigned funds (surplus) represented was reduced by each of the following item:
 - a) Nonadmitted assets - \$63,489,079
- K) The Plan does not have any surplus notes.
- L) The Plan did not have any quasi-reorganization in 2021.
- M) The Plan did not have any quasi-reorganization in 2021.

14. Contingencies

- A) Contingent Commitments
 - The Plan is a defendant in several legal proceedings arising in the normal course of business. The Plan also remains a co-defendant in a multi-district litigation, consisting of two distinct assertions, in federal court relating to allegations that the Plan has acted in conspiracy with other Blue Cross and Blue Shield plans in violation of antitrust laws. A settlement was reached, in part, during 2020, for which the Plan's liability was roughly \$16.4 million. The first settlement payment of \$2.4 million was remitted in December 2020, with the remainder due in 2022. While liability for the remaining assertion in this multi-district litigation is presently difficult to estimate, it is management's belief that the outcome is not likely to have a material adverse effect on the Plan's financial position or results of operations, statutory reserves and risk based capital. However, it is possible that a court decision or settlement could have an unanticipated material adverse effect on the Plan's results of operations, and risk-based capital.
- B) The Plan does not have any assessments.
- C) The Plan does not have any gain contingencies.
- D) The Plan did not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits.
- E) The Plan did not have any Joint and Several liability arrangements.
- F) All other contingencies see "A" above.

15. Leases

- A) 1) The Plan leases office space and ground lease under operating leases. Rent expense for operating leases in 2021 and 2020 was approximately \$539,997 and \$1,399,302, respectively.
- 2) The Plan is committed, under long-term noncancelable operating leases and installment purchase agreements to minimum payments as follows:

NOTES TO FINANCIAL STATEMENTS

	<u>Leases</u>
	<u>Operating</u>
2022	\$ 682,908
2023	480,826
2024	338,252
2025	306,715
2026	306,715
Less interest	-
Total minimum future payments	<u>\$ 2,115,416</u>

Certain rental commitments e.g. ground lease is a 97 year agreement through the year 2108 with two successive 75 year renewal options. Some of these renewals are subject to adjustments in future periods.

The Plan has a long-term service contract with NTT, whose scope of services to the Plan are claims processing, enrollment, provider and member call center support (for the commercial lines of business), business analysis, project management, credentialing services, application development support and maintenance. These services are provided at Plan facilities, however, certain functions may be provided outside of Rhode Island as well as offshore under the direction of NTT staff. Services include operational services for technology and claims operations and business project services.

The agreement is in effect through March 31, 2023, unless terminated earlier or extended in accordance with contract terms. The agreement included continuous improvement, innovation and cost management activities to drive average annual expense reductions of \$18,900,000 for years 2018-2023. The expected future payments of the contract, net of expense reductions, total approximately \$94,000,000 as of December 31, 2021.

In January of 2016, the Plan furthered the partnership with NTT and agreed to make a three-year investment into Data and Analytics capabilities. In 2018, the Plan extended this partnership through 2023. The Data & Analytics investment will total \$22,000,000 over this eight-year period.

The contract provides for termination of the agreement between the parties based on events that may occur during the contract. There are critical service levels that NTT must meet on an ongoing basis. The Plan is obligated to reimburse NTT for services performed in accordance with the contract. The Plan paid approximately \$55,369,000 and \$53,979,000 to NTT for calendar years 2021 and 2020 respectively. Beginning in January 2021, termination fees are no longer applicable.

3) The Plan is not involved in material sales – leaseback transactions.

B) 1) Lessor Leases

a) The Plan has several lease agreements for the use of its Corporate Office. The total rental square footage leased is 71,330 sq ft. The lease terms range from 88 months to 127 months with lease termination dates ranging from March 2025 through August 2029. Each arrangement is a triple net lease and lessees are responsible for electricity usage for the specific rented space.

b) non-applicable

c) Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31, 2021 are as follows:

<u>Years Ended</u> <u>December 31</u>	<u>Operating</u> <u>Leases</u>
2022	\$ 2,498,366
2023	2,560,977
2024	2,605,473
2025	2,346,222
2026	2,049,902
Total	<u>\$ 12,060,940</u>

d) The Plan does not have contingent rentals.

(2) The Plan does not have leveraged leases

NOTES TO FINANCIAL STATEMENTS

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

- 1) The Plan does not have any swaps or option instruments.
- 2) The Plan does not have any interest rate swaps to reduce market risk.
- 3) The Plan does not have any credit related losses.
- 4) A pool of securities with a combined par value of \$31,158,000 are pledged to satisfy Blue Cross Blue Shield Association membership standards for out-of-area provider claim settlements.
The Plan also has pledged corporate and Treasury fixed income securities carrying a combined par value of \$66,675,377 to FHLB as collateral for its line of credit.

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

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 2021:

	<u>ASC Uninsured Plans</u>	<u>Uninsured Portion of Partially Insured Plans</u>	<u>Total ASC</u>
a. Gross reimbursement for medical cost incurred	\$ 1,090,080,900	-	\$ 1,090,080,900
b. Gross administrative fees accrued	84,457,473	-	84,457,473
c. Total revenue	\$ 1,174,538,373	-	\$ 1,174,538,373
d. Claims incurred	1,090,080,900	-	1,090,080,900
e. Variable cost	27,905,653	-	27,905,653
f. Contribution to fixed overhead	\$ 56,551,820	-	\$ 56,551,820
g. Total fixed overhead	59,299,513	-	59,299,513
h. Total net gain or (loss) from operations	\$ (2,747,693)	-	\$ (2,747,693)

- C) The Plan has a Medicare or similarly structured cost based reimbursement contract during 2021 and 2020.

The Medicare Part D program is a partially insured plan. The Plan recorded a receivable in amounts receivable relating to uninsured plans for in the statutory basis statements of admitted assets, liabilities, and capital and surplus of \$35,681,000 as of December 31, 2021 for cost reimbursement under the Medicare Part D program for the catastrophic reinsurance, low-income member cost-sharing subsidies and coverage gap discount programs.

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

NOTES TO FINANCIAL STATEMENTS

The Plan does not have direct premium written/produced by managing general agents/third party administrators.

20. Fair Value Measurements

A1) The following table provides information as of December 31, 2021 about the Plan's financial assets and liabilities measured at fair value on a recurring basis.

	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Assets					
Bonds	\$ -	\$ 467,249,453	\$ -	\$ -	\$ 467,249,453
Preferred Stock-unaffiliated	29,154,345	-	-	-	29,154,345
Common Stock-affiliated	-	-	2,531,710	-	2,531,710
Common Stock-unaffiliated	107,635,165	351,800	24,345,049	-	132,332,014
Total Assets	<u>\$ 136,789,510</u>	<u>\$ 467,601,253</u>	<u>\$ 26,876,759</u>	<u>-</u>	<u>\$ 631,267,522</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 December 31, 2021.

	Beginning Balance 1/1/2021	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Sales	Ending Balance at 12/31/2021
Assets						
Common Stock-affiliated	\$ 3,531,202	-	(5,141,192)	4,141,700	-	\$ 2,531,710
Common Stock-unaffiliated	16,820,981	(294,667)	6,932,141	886,594	-	24,345,049
Total Assets	<u>\$ 20,352,183</u>	<u>(294,667)</u>	<u>1,790,949</u>	<u>5,028,294</u>	<u>-</u>	<u>\$26,876,759</u>

There were unrealized gains of \$1,790,949 for the period ending December 31, 2021.

A3) There were no transfers between levels as of December 31, 2021.

A4 & A5) The Plan carries 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 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.

NOTES TO FINANCIAL STATEMENTS

B) Not applicable.

(C)	Aggregate Fair Value	Admitted Assets	Level1	Level2	Level3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Assets							
Bonds	\$ 467,249,453	\$ 454,436,000	\$ -	\$ 467,249,453	\$ -	\$ -	\$ -
Preferred Stock-unaffiliated	29,154,345	29,154,345	29,154,345	-	-	-	-
Common Stock-affiliated	2,531,710	2,531,710	-	-	2,531,710	-	-
Common Stock-unaffiliated	132,332,014	132,332,014	107,635,165	351,800	24,345,049	\$ -	-
Total Assets	<u>\$ 631,267,522</u>	<u>\$ 618,454,069</u>	<u>\$ 136,789,510</u>	<u>\$ 467,601,253</u>	<u>\$ 26,876,759</u>	<u>\$ -</u>	<u>\$ -</u>

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

E) Not applicable

21. Other Items

A) The Plan does not have any extraordinary items.

B) The Plan does not have any troubled debt restructuring.

C) The Plan participates in the Federal Employee Health Benefits Program (FEHBP) with other Blue Cross Blue Shield Plans. This program includes a fully-insured experience-rated contract, commonly known as the Federal Employee Program (FEP), between the Office of Personnel Management (OPM) and BCBSA, which acts as an agent for the participating Blue Cross Blue Shield plans. Each participating plan, including the Plan, executes a contract with BCBSA which obligates these plans to underwrite FEP benefits in its service area.

Premium rates are developed by BCBSA and negotiated with OPM annually. These are the rates which each participating Blue Cross Blue Shield will receive to provide insurance to Federal employees that enrolled with Blue Cross Blue Shield FEP. The excess of gross premiums over the charges for the life of the program on an accrual basis is accounted for as a rate stabilization reserve (commonly referred to as the special reserve), as required by the contract between OPM and BCBSA.

Each year, OPM also allocates a portion of the premiums to a contingency reserve which may be utilized by participating plans in the event annual premiums paid to the insurance carrier are insufficient or the rate stabilization reserve falls below certain levels prescribed by OPM. Premiums paid to the carrier and available to each participating Blue Cross Blue Shield plan, including the special reserve and contingency reserve, including amounts unused from prior periods are held at the U.S. Treasury. Any premiums that remain in the rate stabilization reserve upon termination of the BCBSA contract, after the claims run-out and reimbursement of the allowable administrative expenses, would be returned to OPM for the benefit of the FEHBP. The FEP contract automatically renews each year unless written notice of termination is given by either party.

In accordance with the FEP contract, premium funds that exceed daily operating needs are held on behalf of the Plan in letter of credit accounts at the U.S. Treasury to provide funding for claims, administrative expenses, and other charges to the contract. The Plan, along with other Blue Cross Blue Shield plans who participate in the FEHBP contract, has an unrestricted right to draw funds held in the U.S. Treasury.

The Plan has recorded its allocable share of a special reserve fund held in the U.S. Treasury as an asset, with an equivalent amount recorded as a rate stabilization reserve. This amount is \$12,489,233 as of December 31, 2021 and is included in other current assets and other current liabilities in the accompanying consolidated balance sheets.

FEP represented approximately 49.7% of accounts receivable and approximately 7.2% of net revenue as of and for the year ended December 31, 2021, respectively.

Additionally, the Center for Medicare & Medicaid Services (CMS) adjusts payments to Medicare Advantage plans and Medicare Part D plans according to the predicted health status of each beneficiary as supported by data from health care providers. The Plan collects claim and encounter data from providers whom the Plan generally relies to appropriately code claim submissions and document applicable medical records. CMS then determines the risk score and payment amount for each enrolled member based on the health care data submitted and member demographic information.

NOTES TO FINANCIAL STATEMENTS

CMS and the Office of Inspector General for Health and Human Services periodically perform RADV audits of selected Medicare health plans to validate the coding practices of and supporting documentation maintained by health care providers. Such audits have in the past resulted in, and in the future could result in, retrospective adjustments to payments made to the Plan, fines, corrective action plans or other adverse action by CMS.

- D) The Plan did not have any business interruption insurance recoveries in 2021.
 E) 1) Carrying value of transferable and non-transferable State Tax Credits gross of any related tax liabilities and total unused transferable and non-transferable state tax credits by state and in total:

<u>Description of State transferable and non-transferable tax credits</u>	<u>State</u>	<u>Carrying Value</u>	<u>Unused Amount</u>
Historic Investment Tax Credit	RI	\$ 3,280,000	\$ 4,000,000

2) The Plan estimated the utilization of the remaining non-transferable state tax credits by projecting future premium taking into account policy growth and rate changes, projecting future tax liability based on projected premium, tax rates and tax credits, and comparing projected future tax liability to the availability of remaining non-transferable state tax credits.

3) The Plan did not have any impairment losses for state transferable tax credits in 2021.

4) State Tax Credits Admitted and Nonadmitted:

	Total Admitted	Total Nonadmitted
a. Transferable	\$ 3,280,000	-
b. Non-transferable	-	-

F) Subprime Mortgage Related Risk Exposure

(1) The following is the Plan's narrative description of a subprime investment. A mortgage loan which has one or more of the following attributes: weak credit score high debt-to-income-ratio, high loan-to-value ratio or undocumented income.

(2) Non-applicable

(3) Non-applicable

(4) Non-applicable

G) Retained Assets is not applicable.

H) The Plan did not receive proceeds from insurance-linked securities.

I) The Plan has not realized on life insurance policy.

22. Events Subsequent

Nonrecognized Subsequent Event:

January 1, 2022, the Plan will not be subject to an annual fee under section 9010 of the Affordable Care Act (ACA) the fee was repealed for calendar year 2021. Therefore the Plan is not subject to the fee for 2022.

23. Reinsurance

A) Ceded Insurance Report

Section 1 – General Interrogatories

(1) The Plan does not own or control any of the reinsurers listed on Schedule S.

(2) There are no policies issued by the Plan that are reinsured with a company chartered in a country other than the United States that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business.

Section 2 – Ceded Reinsurance Report – Part A

(1) The Plan does not have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit.

(2) The Plan does not have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in

NOTES TO FINANCIAL STATEMENTS

aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies.

Section 3 – Ceded Reinsurance Report – Part B

- (1) The estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment or other similar credits that are reflected in Section 2 above) of termination of all reinsurance agreements, by either party, is not applicable to the Plan since it does not cede its reinsurance.
- (2) The Plan has not executed or amended any existing agreements, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement.

- B) The Plan did not experience a write-off for uncollectible reinsurance.
 C) The Plan did not experience a commutation of ceded reinsurance.
 D) Certified Reinsurer Rating downgraded is not applicable.
 E) Reinsurance Credit in not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A) The Plan estimates accrued retrospective premium adjustments for its group health insurance business based on the Plan’s underwriting polices, experience rating practices and claims reserve calculation.
- B) The Plan records accrued retrospective premium as an adjustment to earned premium.
- C) The amount of net premiums written by the Plan at December 31, 2021 that are subject to retrospective rating features was \$1,181,600, that represented 0.07% of the total net premiums written. No other net premiums written by the Plan are subject to retrospective rating features.
- D) Medical loss ratio rebates required pursuant to the Public Health Service Act.

	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	-	-	-	9,717,000	9,717,000
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	-	9,717,000	9,717,000
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amlunts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	9,717,000
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	-	1,860,000	-	(1,599,088)	260,912
(8) Medical loss ratio rebates paid	-	-	-	-	-
(9) Medical loss ratio rebates unpaid	-	1,860,000	-	8,117,912	9,977,912
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(11) Less reinsurance ceded amlunts	XXX	XXX	XXX	XXX	-
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	9,977,912

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 was 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.

Reinsurance – This temporary program from 2014 – 2016 was designed to protect issuers in the individual market both on and off exchange from anticipated increases in high cost claimants due to the elimination

NOTES TO FINANCIAL STATEMENTS

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 CY 2021 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
- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year
- a. Permanent ACA Risk Adjustment Program
- | | |
|--|-------------|
| Assets | |
| 1) Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments) | \$4,698,364 |
| Liabilities | |
| 2) Risk adjustment user fees payable for ACA Risk Adjustment | \$172,951 |
| 3) Premium adjustments payable due to ACA Risk Adjustment (including High-risk pool premium) | \$0 |
| Operations (Revenue & Expense) | |
| 4) Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment | \$3,202,691 |
| 5) Reported in expenses as ACA risk adjustment user fees (incurred/paid) | \$174,357 |
| b. Transitional ACA Reinsurance Program | |
| Assets | |
| 1) Amounts recoverable for claims paid due to ACA Reinsurance | \$7,585,295 |
| 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 | \$0 |
| 5) Ceded reinsurance premiums payable due to ACA Reinsurance | \$0 |
| 6) Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance | \$0 |
| Operations (Revenue & Expense) | |
| 7) Ceded reinsurance premiums due to ACA Reinsurance | \$0 |
| 8) Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments | \$8,278,655 |
| 9) ACA Reinsurance contributions – not reported as ceded premium | \$0 |
| 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)

NOTES TO FINANCIAL STATEMENTS

	Accrued During the		Received or Paid as		Differences		Adjustments		Unsettled Balances as of	
	Prior Year on		of the Current Year		Prior Year	Prior Year	To Prior	To Prior	Cumulative	Cumulative
	Business Written		on Business Written		Accrued	Accrued	Year	Year	Balance	Balance
	Before December 31		Before December 31		Less	Less	Year	Year	from Prior	from Prior
of the Prior Year		of the Prior Year		Payments	Payments	Balances	Balances	Years (Col	Years (Col	
1		2		(Col 1-3)	(Col 2-4)	7	8	1+3+7)	2+8+10)	
3		4		5	6			9	10	
Receivable (Payable)		Receivable (Payable)		Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program										
1. Premium adjustments receivable (including high-risk pool payments)										
\$ 4,455	\$ -	\$ 4,455	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -
2. Premium adjustments (payable) (including high-risk pool premiums)										
-	(125)	-	(125)	-	-	-	-	B	-	-
3. Subtotal ACA Permanent Risk Adjustment Program										
4,455	(125)	4,455	(125)	-	-	-	-		-	-
b. Transitional ACA Reinsurance Program										
1. Amounts recoverable for claims paid										
5,592	-	6,286	-	(694)	-	694	-	C	-	-
2. Amounts recoverable for claims unpaid (contra liability)										
-	-	-	-	-	-	-	-	D	-	-
3. Amounts receivable relating to uninsured plans										
-	-	-	-	-	-	-	-	E	-	-
4. Liabilities for contributions payable due to ACA Reinsurance-not reported as ceded premiums										
-	-	-	-	-	-	-	-	F	-	-
5. Ceded reinsurance premiums ³ 1 payable										
-	-	-	-	-	-	-	-	G	-	-
6. Liability for amounts held under uninsured plans										
-	-	-	-	-	-	-	-	H	-	-
7. Subtotal ACA Transitional Reinsurance Program										
5,592	-	6,286	-	(694)	-	694	-		-	-
c. Temporary ACA Risk Corridors Program										
1. Accrued retrospective premiums										
-	-	-	-	-	-	-	-	I	-	-
2. Reserve for rate credits of policy experience rating refunds										
-	-	-	-	-	-	-	-	J	-	-
3. Subtotal ACA Risk Corridors Program										
-	-	-	-	-	-	-	-		-	-
Total for ACA Risk Sharing										
d. Provisions										
\$ 10,047	\$ (125)	\$ 10,741	\$ (125)	0	(694)	0	694		\$ -	\$ -

Explanations of Adjustments

- A Non Applicable
- B Non Applicable
- C Reinsurance updated based on HHS Notification
- D Non Applicable
- E Non Applicable
- F Non Applicable
- G Non Applicable
- H Non Applicable
- I Non Applicable
- J Non Applicable

(4) Roll-forward of Risk Corridors Receivable as of Reporting Date

NOTES TO FINANCIAL STATEMENTS

	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		
					Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1+3+7)	Cumulative Balance from Prior Years (Col 2+8+10)	
	1	2	3	4	5	6	7	8	9	10	
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	B	-	-
b. 2015											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	C	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
c. 2016											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	E	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	F	-	-
d. Total for Risk Corridors	-	-	-	-	-	-	-	-		-	-

Explanations of Adjustments

- A Non Applicable
- B Non Applicable
- C Non Applicable
- D Non Applicable
- E Non Applicable
- F Non Applicable

(5) ACA Risk Corridors Receivable as of Reporting Date

	1	2	3	4	5	6
Risk Corridors Program Year	Estimated Amount to be Filed or Final Amount Filed With CMS	Non-Accrued Amounts for Impairment or Other Reasons	Asset Balance (Gross Amounts Received from CMS)	of Non-Admission (1-2-3)	Non-Admitted Amount	Net-Admitted Asset (4-5)
a. 2014	-	-	-	-	-	-
b. 2015	-	-	-	-	-	-
c. 2016	-	-	-	-	-	-
d. Total (a+b+c)	-	-	-	-	-	-

The Plan has Medicare Part D program business that is subject to a retrospective rating feature related to Part D premiums. The Plan has estimated risk corridor as an asset as reported in the amounts receivable relating to the uninsured plans of \$4.1MM. The amount of Part D direct premiums written approximated \$714,122,350 representing 39.8% of total direct premiums written for accident and health contracts net as of December 31, 2021.

25. Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2020 were \$155,667,000 and as of December 31, 2021, \$153,107,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$9,033,000 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 \$6,473,000 unfavorable prior-year development since December 31, 2020 to December 31, 2021. 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

The Plan is not part of any intercompany pooling arrangement.

27. Structured Settlements

Not Applicable for Health Insurance entities.

28. Health Care Receivables

A) Pharmaceutical Rebate Receivables

NOTES TO FINANCIAL STATEMENTS

Quarter	<u>Estimated Pharmacy Rebates as Reported on Financial Statements</u>	<u>Pharmacy Rebates as Invoiced/ Confirmed</u>	<u>Actual Rebates Collected Within 90 Days of Invoicing/ Confirmation</u>	<u>Actual Rebates Collected Within 91 to 180 Days of Invoicing/ Confirmation</u>	<u>Actual Rebates Collected More Than 180 Days After Invoicing/ Confirmation</u>
12/31/21	\$ 31,336,332	\$ -	\$ -	\$ -	\$ -
09/30/21	29,538,173	31,352,253	28,281,638	-	-
06/30/21	24,986,123	31,364,468	28,447,671	-	-
03/31/21	27,188,744	23,034,736	21,491,545	-	1,435,093
12/31/20	\$ 24,964,261	26,417,376	\$ 24,135,779	\$ 78,397	\$ 2,248,330
09/30/20	21,201,654	24,809,561	22,596,267	-	2,213,294
06/30/20	22,159,607	21,488,967	19,244,265	228,727	2,015,975
03/31/20	19,211,663	22,356,153	20,198,978	195,698	1,961,477
12/31/19	\$ 18,897,646	\$ 19,410,769	\$ 17,161,635	\$ 2,022,689	\$ 226,445
09/30/19	18,515,645	18,667,976	16,929,568	1,781,146	(42,738)
06/30/19	17,711,278	19,001,769	16,762,439	2,045,446	193,884
03/31/19	15,740,224	18,002,271	16,052,023	1,915,408	34,840

B) Risk Share Receivables

<u>Calendar Year</u>	<u>Evaluation Per Year- End</u>	<u>Risk Sharing Receivable as Estimated in the Prior Year</u>	<u>Risk Sharing Receivable as Estimated in the Current Year</u>	<u>Risk Sharing Receivable Billed</u>	<u>Risk Sharing Receivable Not Yet Billed</u>	<u>Actual Risk Sharing Amounts Received in Year Billed</u>	<u>Actual Risk Sharing Amounts Received First Year</u>	<u>Actual Risk Sharing Amounts Received Second Year</u>	<u>Actual Risk Sharing Amounts Received All others</u>
2021	2021	N/A	\$ -	\$ -	\$ -	\$ -	\$ -		
	2022	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	N/A
2020	2020	N/A	\$ -	\$ -	\$ -	\$ -	\$ -		
	2021	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	N/A
2019	2019	N/A	\$ -	\$ -	\$ -	\$ -	\$ -		
	2020	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	N/A

29. Participating Policies

Participating policies do not apply to the Plan.

30. Premium Deficiency Reserves

The Plan has a statutory premium deficiency reserve (PDR) of \$38,400,000 and \$37,000,000 for the periods ended December 31, 2021 and December 31, 2020, respectively. The PDR related to the Commercial and Medicare Advantage lines of business for the periods ended December 31, 2021 and 2020.

1. Liability carried for premium deficiency reserves \$38,400,000
2. Date of the most recent evaluation of this liability 12/31/2021
3. Was anticipated investment income utilized in the calculation Yes No

31. Anticipated Salvage and Subrogation

The amount of undiscounted estimated salvage and subrogation recoverable, taken into account in determining the undiscounted unpaid losses as reported in the Underwriting and Investment Exhibit and Page 3 – Liabilities, Reserves and Special Funds, Line I for December 31, 2021 and 2020, was \$13,517,000 and \$10,732,000, respectively.

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
- If yes, complete Schedule Y, Parts 1, 1A, 2 and 3
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State Regulating? RHODE ISLAND
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2018
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2018
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 09/03/2019
- 3.4 By what department or departments?
 RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION - INSURANCE DIVISION

- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- If yes, complete and file the merger history data file with the NAIC.

GENERAL INTERROGATORIES

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

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

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

6.2 If yes, give full information:

.....

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control. _____ %

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the DIHC.

.....

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

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

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

8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the reporting entity? Yes [] No [X]

8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Deloitte & Touche LLP, 185 Asylum Street, City Place I, 33rd Floor, Hartford, CT 06103

GENERAL INTERROGATORIES

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [] No [X] N/A []

10.6 If the response to 10.5 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 BRIAN MACKINTOSH IS THE CHIEF ACTUARY OF BLUE CROSS BLUE SHIELD OF RHODE ISLAND. THE ADDRESS IS 500 EXCHANGE STREET, PROVIDENCE RI, 02903.

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

12.11 Name of real estate holding company	
12.12 Number of parcels involved	
12.13 Total book/adjusted carrying value	\$

12.2 If yes, provide explanation:

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

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

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

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [X] N/A []

GENERAL INTERROGATORIES

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

- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules, and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.

Yes No

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

.....

14.2 Has the code of ethics for senior managers been amended?

Yes No

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

.....

14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes No

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

.....

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes No

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes No

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes No

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes No

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes No

GENERAL INTERROGATORIES

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers \$ _____

20.12 To stockholders not officers \$ _____

20.13 Trustees, supreme or grand (Fraternal only) \$ _____

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers \$ _____

20.22 To stockholders not officers \$ _____

20.23 Trustees, supreme or grand (Fraternal only) \$ _____

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

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

21.21 Rented from others \$ _____

21.22 Borrowed from others \$ _____

21.23 Leased from others \$ _____

21.24 Other \$ _____

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment \$ 6,015,674

22.22 Amount paid as expenses \$ 1,490,261

22.23 Other amounts paid \$ _____

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

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

24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]

24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

1 Name of Third Party	2 Is the Third-Party Agent a Related Party (Yes/No)
.....
.....

INVESTMENT

25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03) Yes [X] No []

25.02 If no, give full and complete information, relating thereto:

.....

.....

.....

25.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

.....

.....

.....

25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk Based Capital Instructions. \$ _____

25.05 For the reporting entity's securities lending program report amount of collateral for other programs. \$ _____

GENERAL INTERROGATORIES

25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

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

25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

25.09 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ _____

25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ _____

25.093 Total payable for securities lending reported on the liability page \$ _____

26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes [X] No []

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

	26.21	Subject to repurchase agreements	\$ 12,399
	26.22	Subject to reverse repurchase agreements	\$ _____
	26.23	Subject to dollar repurchase agreements	\$ _____
	26.24	Subject to reverse dollar repurchase agreements	\$ _____
	26.25	Placed under option agreements	\$ _____
	26.26	Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$ _____
	26.27	FHLB Capital Stock	\$ 351,800
	26.28	On deposit with states	\$ _____
	26.29	On deposit with other regulatory bodies	\$ _____
	26.30	Pledged as collateral - excluding collateral pledged to an FHLB	\$ 31,158,000
	26.31	Pledged as collateral to FHLB - including assets backing funding agreements	\$ 66,722,094
	26.32	Other	\$ _____

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....

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

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

LINES 27.3 through 27.5 : FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No [X]

27.4 If the response to 27.3 is YES, does the reporting entity utilize:

27.41	Special accounting provision of SSAP No. 108	Yes [] No [X]
27.42	Permitted accounting practice	Yes [] No [X]
27.43	Other accounting guidance	Yes [] No [X]

27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting

GENERAL INTERROGATORIES

entity attests to the following:

Yes [] No [X]

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

28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [] No [X]

28.2 If yes, state the amount thereof at December 31 of the current year.

\$ _____

29. 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 []

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

1 Name of Custodian(s)	2 Custodian's Address
NORTHERN TRUST	333 S. Wabash Ave., WB-42 Chicago, IL 60604
RELIANCE TRUST	1100 Abernathy Road 500 Northpark, Suite 400 Atlanta, GA 30328-5646

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

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

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?

Yes [] No [X]

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

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

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

1 Name Firm or Individual	2 Affiliation
BLACKROCK FINANCIAL MANAGEMENT, INC	U

GENERAL INTERROGATORIES

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes No

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes No

29.06 For those firms or individuals listed in the table 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Name Firm or Individual	Central Registration Depository Number	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
107105	BlackRock Financial	549300LVXYIVJKE13M84	SECURITIES EXCHANGE COMMISS	No

30.1 Does the reporting entity have any diversified mutual funds reported in Schedule D – Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes No

30.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
024071-81-3	AMERICAN FUNDS BAL R6	5,241
649280-81-5	AMERICAN FUNDS NWLD R6	34,397
256219-10-6	DODGE & COX STOCK	7,917
315911-75-0	FIDELITY 500 INDEX FUND	495,721
41665H-78-9	HARTFD:SCHR EM E SDR	10,580,215
464287-20-0	ISHARES:CORE S&P 500	58,551,954
57630E-87-5	MASSMUTUAL S:BL CH I	105,948
57630E-57-8	MASSMUTUAL S:ST BD I	63,167
57630G-49-0	MASSMUTUAL S:TRP 20 I	24,110
57630G-45-8	MASSMUTUAL S:TRP 25 I	256,430
57630G-41-7	MASSMUTUAL S:TRP 30 I	205,100
57630G-36-7	MASSMUTUAL S:TRP 35 I	99,695
57630G-32-6	MASSMUTUAL S:TRP 40 I	227,900
57630G-27-6	MASSMUTUAL S:TRP 45 I	102,211
552966-80-6	MFS INSTL:INTL EQUITY	25,075,676
704329-24-2	PAYDEN:EM MKT BD SI	11,506,841
779562-20-6	T ROWE PRICE NH I	149,873
922908-83-5	VANGUARD MD-CP I INST	60,537
921908-87-7	VANGUARD RE IDX ADM	12,061
922908-87-6	VANGUARD S-C ID INST	25,707
969251-71-9	WM BLAIR:INTL LDRS I	44,464
30.2999 TOTAL		107,635,165

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
AMERICAN FUNDS BAL R6	Microsoft Corp	232	12/31/2021
AMERICAN FUNDS BAL R6	Broadcom Inc	167	12/31/2021
AMERICAN FUNDS BAL R6	UnitedHealth Group Inc	121	12/31/2021
AMERICAN FUNDS BAL R6	Philip Morris International Inc	88	12/31/2021
AMERICAN FUNDS BAL R6	Taiwan Semiconductor Manufac	80	12/31/2021
AMERICAN FUNDS NWLD R6	Microsoft Corp	1,090	12/31/2021
AMERICAN FUNDS NWLD R6	Taiwan Semiconductor Manufac	702	12/31/2021
AMERICAN FUNDS NWLD R6	Reliance Industries Ltd	654	12/31/2021
AMERICAN FUNDS NWLD R6	Kotak Mahindra Bank Ltd	616	12/31/2021
AMERICAN FUNDS NWLD R6	Kweichow Moutai Co Ltd Class	526	12/31/2021
DODGE & COX STOCK	Wells Fargo & Co	337	12/31/2021
DODGE & COX STOCK	Charles Schwab Corp	333	12/31/2021
DODGE & COX STOCK	Alphabet Inc Class C	298	12/31/2021
DODGE & COX STOCK	Sanofi SA ADR	266	12/31/2021
DODGE & COX STOCK	Capital One Financial Corp	253	12/31/2021

GENERAL INTERROGATORIES

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
FIDELITY 500 INDEX FUND	Apple Inc	33,957	12/31/2021
FIDELITY 500 INDEX FUND	Microsoft Corp	30,983	12/31/2021
FIDELITY 500 INDEX FUND	Amazon.com Inc	17,846	12/31/2021
FIDELITY 500 INDEX FUND	Alphabet Inc Class A	10,708	12/31/2021
FIDELITY 500 INDEX FUND	Tesla Inc	10,559	12/31/2021
HARTFD:SCHR EM E SDR	Taiwan Semiconductor Manufac	980,786	12/31/2021
HARTFD:SCHR EM E SDR	Samsung Electronics Co Ltd	673,960	12/31/2021
HARTFD:SCHR EM E SDR	Tencent Holdings Ltd	613,652	12/31/2021
HARTFD:SCHR EM E SDR	MediaTek Inc	299,420	12/31/2021
HARTFD:SCHR EM E SDR	Alibaba Group Holding Ltd Ordi	279,318	12/31/2021
ISHARES:CORE S&P 500	Apple Inc	4,116,202	12/31/2021
ISHARES:CORE S&P 500	Microsoft Corp	3,477,986	12/31/2021
ISHARES:CORE S&P 500	Amazon.com Inc	2,119,581	12/31/2021
ISHARES:CORE S&P 500	Alphabet Inc Class A	1,288,143	12/31/2021
ISHARES:CORE S&P 500	Alphabet Inc Class C	1,194,460	12/31/2021
MASSMUTUAL S:BL CH I	Amazon.com Inc	9,207	12/31/2021
MASSMUTUAL S:BL CH I	Meta Platforms Inc Class A	7,035	12/31/2021
MASSMUTUAL S:BL CH I	Microsoft Corp	7,003	12/31/2021
MASSMUTUAL S:BL CH I	Alphabet Inc Class C	6,728	12/31/2021
MASSMUTUAL S:BL CH I	NVIDIA Corp	5,393	12/31/2021
MASSMUTUAL S:ST BD I	5 Year Treasury Note Future M	20,971	12/31/2021
MASSMUTUAL S:ST BD I	90day Eur Futr Dec23 Xcme 20	11,433	12/31/2021
MASSMUTUAL S:ST BD I	Eurodollar Future Dec 23	8,054	12/31/2021
MASSMUTUAL S:ST BD I	Sws058420 Cds Usd R F 1.000	4,700	12/31/2021
MASSMUTUAL S:ST BD I	Ultra US Treasury Bond Future	3,278	12/31/2021
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Bond A	4,709	12/31/2021
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Large	4,465	12/31/2021
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Intl Eq	3,660	12/31/2021
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Ltd Dur	2,628	12/31/2021
MASSMUTUAL S:TRP 20 I	MM S&P 500® Index I	2,360	12/31/2021
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Large	55,081	12/31/2021
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Intl Eq	45,183	12/31/2021
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Bond A	43,670	12/31/2021
MASSMUTUAL S:TRP 25 I	MM S&P 500® Index I	28,053	12/31/2021
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Sm&Mi	23,258	12/31/2021
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Large	55,008	12/31/2021
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Intl Eq	42,599	12/31/2021
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Bond A	26,601	12/31/2021
MASSMUTUAL S:TRP 30 I	MM S&P 500® Index I	24,899	12/31/2021
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Sm&Mi	21,823	12/31/2021
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Large	32,710	12/31/2021
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Intl Eq	23,438	12/31/2021
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Sm&Mi	12,073	12/31/2021
MASSMUTUAL S:TRP 35 I	MM S&P 500® Index I	10,827	12/31/2021
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Bond A	8,554	12/31/2021
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Large	88,425	12/31/2021
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Intl Eq	58,821	12/31/2021
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Sm&Mi	30,402	12/31/2021
MASSMUTUAL S:TRP 40 I	MM S&P 500® Index I	21,810	12/31/2021
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Bond A	10,780	12/31/2021
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Large	41,508	12/31/2021
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Intl Eq	27,403	12/31/2021
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Sm&Mi	14,902	12/31/2021
MASSMUTUAL S:TRP 45 I	MM S&P 500® Index I	9,976	12/31/2021
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Real A	2,739	12/31/2021
MFS INSTL:INTL EQUITY	Nestle SA	998,012	12/31/2021
MFS INSTL:INTL EQUITY	Schneider Electric SE	870,126	12/31/2021
MFS INSTL:INTL EQUITY	Roche Holding AG	804,929	12/31/2021
MFS INSTL:INTL EQUITY	Air Liquide SA	656,983	12/31/2021
MFS INSTL:INTL EQUITY	LVMH Moet Hennessy Louis Vu	629,399	12/31/2021
PAYDEN:EM MKT BD SI	ACWA Power Management and	232,438	12/31/2021
PAYDEN:EM MKT BD SI	10 Year Treasury Note Future	191,014	12/31/2021
PAYDEN:EM MKT BD SI	Telefonica Celular del Paraguay	188,712	12/31/2021
PAYDEN:EM MKT BD SI	Dar Al-Arkan Sukuk Company L	186,411	12/31/2021

GENERAL INTERROGATORIES

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
PAYDEN:EM MKT BD SI	Network I2I Limited 5.65%	181,808	12/31/2021
T ROWE PRICE NH I	Old Dominion Freight Line Inc O	5,306	12/31/2021
T ROWE PRICE NH I	HubSpot Inc	5,021	12/31/2021
T ROWE PRICE NH I	Atlassian Corporation PLC A	4,871	12/31/2021
T ROWE PRICE NH I	Paylocity Holding Corp	4,721	12/31/2021
T ROWE PRICE NH I	Veeva Systems Inc Class A	4,721	12/31/2021
VANGUARD MD-CP I INST	Synopsys Inc	454	12/31/2021
VANGUARD MD-CP I INST	IQVIA Holdings Inc	436	12/31/2021
VANGUARD MD-CP I INST	Xilinx Inc	424	12/31/2021
VANGUARD MD-CP I INST	Amphenol Corp Class A	424	12/31/2021
VANGUARD MD-CP I INST	DexCom Inc	418	12/31/2021
VANGUARD RE IDX ADM	American Tower Corp	829	12/31/2021
VANGUARD RE IDX ADM	Prologis Inc	776	12/31/2021
VANGUARD RE IDX ADM	Crown Castle International Corp	555	12/31/2021
VANGUARD RE IDX ADM	Equinix Inc	470	12/31/2021
VANGUARD RE IDX ADM	Public Storage	368	12/31/2021
VANGUARD S-C ID INST	Bio-Techne Corp	93	12/31/2021
VANGUARD S-C ID INST	Diamondback Energy Inc	90	12/31/2021
VANGUARD S-C ID INST	VICI Properties Inc Ordinary Sh	87	12/31/2021
VANGUARD S-C ID INST	Entegris Inc	85	12/31/2021
VANGUARD S-C ID INST	Molina Healthcare Inc	85	12/31/2021
WM BLAIR:INTL LDRS I	LVMH Moet Hennessy Louis Vu	1,538	12/31/2021
WM BLAIR:INTL LDRS I	Straumann Holding AG	1,521	12/31/2021
WM BLAIR:INTL LDRS I	Airbus SE	1,258	12/31/2021
WM BLAIR:INTL LDRS I	Taiwan Semiconductor Manufac	1,205	12/31/2021
WM BLAIR:INTL LDRS I	ASML Holding NV	1,192	12/31/2021

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	454,436,001	467,249,474	12,813,473
31.2 Preferred stocks	29,154,345	29,154,345	
31.3 Totals	483,590,346	496,403,819	12,813,473

31.4 Describe the sources or methods utilized in determining the fair values:
 PROVIDED BY RATING SOURCES UTILIZED BY THE CUSTODIAN, NORTHERN TRUST. PRICING SOURCES
 INCLUDE IDC, ICE, IDC, IHS MARKIT, SIX FINANCIAL, NSCC, BLOOMBERG.

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

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes No

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes No

GENERAL INTERROGATORIES

33.2 If no, list exceptions:

.....

34 By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 - b. Issuer or obligor is current on all contracted interest and principal payments.
 - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5GI securities? Yes [] No [X]

35 By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
 - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 - d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities? Yes [] No [X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash-equivalent investments with continued reporting on Schedule DA, part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [X] N/A []

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 2,182,102

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

1 Name	2 Amount Paid
BLUE CROSS AND BLUE SHIELD ASSOCIATION	\$ 1,198,591
.....	\$
.....	\$

39.1 Amount of payments for legal expenses, if any? \$ 3,176,083

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

1 Name	2 Amount Paid
HOGAN LOVELLS US LLP	\$ 958,657
.....	\$
.....	\$

GENERAL INTERROGATORIES

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

\$ 1,146,821

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

1 Name	2 Amount Paid
STATE OF RHODE ISLAND	\$ 1,023,842
	\$
	\$

GENERAL INTERROGATORIES PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
1.2 If yes, indicate premium earned on U.S. business only.	\$	60,351,082
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	
1.31 Reason for excluding		
.....		
.....		
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$	
1.5 Indicate total incurred claims on all Medicare Supplement insurance.	\$	48,032,131
1.6 Individual policies:		
Most current three years:		
1.61 Total premium earned	\$	2,485,903
1.62 Total incurred claims	\$	1,924,598
1.63 Number of covered lives		955
All years prior to most current three years:		
1.64 Total premium earned	\$	40,829,714
1.65 Total incurred claims	\$	31,610,577
1.66 Number of covered lives		15,655
1.7 Group policies:		
Most current three years:		
1.71 Total premium earned	\$	1,285,738
1.72 Total incurred claims	\$	1,094,146
1.73 Number of covered lives		1,026
All years prior to most current three years:		
1.74 Total premium earned	\$	15,749,727
1.75 Total incurred claims	\$	13,402,809
1.76 Number of covered lives		5,946

2. Health Test:

	1		2	
	Current Year		Prior Year	
2.1 Premium Numerator	\$ 1,826,214,813	\$	1,709,377,994	
2.2 Premium Denominator	\$ 1,801,705,242	\$	1,709,377,994	
2.3 Premium Ratio (2.1 / 2.2)	1.014		1.000	
2.4 Reserve Numerator	\$ 277,584,724	\$	274,702,639	
2.5 Reserve Denominator	\$ 283,360,498	\$	274,702,639	
2.6 Reserve Ratio (2.4 / 2.5)	0.980		1.000	

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
3.2 If yes, give particulars:		
.....		
.....		
4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5.1 Does the reporting entity have stop-loss reinsurance?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
5.2 If no, explain:		
.....		
.....		
5.3 Maximum retained risk (see instructions)		
5.31 Comprehensive Medical	\$	
5.32 Medical Only	\$	
5.33 Medicare Supplement	\$	
5.34 Dental and vision	\$	
5.35 Other Limited Benefit Plan	\$	
5.36 Other	\$	

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

STATE INSURANCE LAW MANDATES THE PLAN HAVE TOTAL RESERVES SUFFICIENT TO PAY CLAIMS AND ADMINISTRATIVE EXPENSES FOR NOT LESS THAN ONE MONTH. ALSO, THE PLAN HAS HOLD HARMLESS PROVISIONS IN ITS CONTRACTS WITH PARTICIPATING HOSPITALS AND PROVIDERS.

.....

.....

GENERAL INTERROGATORIES PART 2 - HEALTH INTERROGATORIES

- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes No
- 7.2 If no, give details:
.....
.....
.....
8. Provide the following information regarding participating providers:
- | | |
|--|-------|
| 8.1 Number of providers at start of reporting year | 4,154 |
| 8.2 Number of providers at end of reporting year | 4,166 |
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes No
- 9.2 If yes, direct premium earned:
- | | |
|---|--|
| 9.21 Business with rate guarantees between 15-36 months | |
| 9.22 Business with rate guarantees over 36 months | |
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No
- 10.2 If yes:
- | | |
|---|----------|
| 10.21 Maximum amount payable bonuses | \$ _____ |
| 10.22 Amount actually paid for year bonuses | \$ _____ |
| 10.23 Maximum amount payable withholds | \$ _____ |
| 10.24 Amount actually paid for year withholds | \$ _____ |
- 11.1 Is the reporting entity organized as:
- | | |
|---|---|
| 11.12 A Medical Group/Staff Model, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.13 An Individual Practice Association (IPA), or, | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 11.14 A Mixed Model (combination of above)? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes No
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus:
RHODE ISLAND
.....
.....
- 11.4 If yes, show the amount required. \$ 148,856,753
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes No
- 11.6 If the amount is calculated, show the calculation:
TOTAL UNDERWRITING DEDUCTIONS PAGE 4 LINE 23 \$1,786,281,036 DIVIDED BY TWELVE (12) MONTHS TO DERIVE THE
MINIMUM NET WORTH OF \$148,856,753.
.....
.....

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

	1 Name of Service Area	
.....

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

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

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

- | | |
|------------------------------|----------|
| 15.1 Direct Premium Written | \$ _____ |
| 15.2 Total Incurred Claims | \$ _____ |
| 15.3 Number of Covered Lives | _____ |

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

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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

FIVE – YEAR HISTORICAL DATA

	1	2	3	4	5
	2021	2020	2019	2018	2017
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	924,260,302	862,104,146	750,982,227	638,242,440	627,155,028
2. Total liabilities (Page 3, Line 24)	489,567,441	446,289,912	379,398,458	339,583,816	334,158,151
3. Statutory minimum capital and surplus requirement	148,856,753	141,627,515	139,107,691	139,333,861	142,597,822
4. Total capital and surplus (Page 3, Line 33)	434,692,861	415,814,234	371,583,769	298,658,624	292,996,877
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,795,520,104	1,707,243,198	1,698,166,372	1,708,865,057	1,719,351,097
6. Total medical and hospital expenses (Line 18)	1,542,709,739	1,403,371,707	1,435,930,820	1,417,367,219	1,477,136,192
7. Claims adjustment expenses (Line 20)	58,743,347	58,190,620	56,563,135	60,188,631	63,259,817
8. Total administrative expenses (Line 21)	183,427,950	207,567,850	170,198,332	196,550,484	168,677,852
9. Net underwriting gain (loss) (Line 24)	9,239,068	7,713,021	28,874,085	36,858,723	8,177,236
10. Net investment gain (loss) (Line 27)	17,509,110	7,857,917	21,129,753	(1,111,740)	17,090,061
11. Total other income (Lines 28 plus 29)	(13,580,656)	(9,407,830)	(17,428,226)	(26,337,001)	(2,271,683)
12. Net income or (loss) (Line 32)	13,167,522	42,421,212	68,833,715	9,411,398	22,616,368
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	24,572,232	118,444,567	115,715,425	20,013,488	72,648,812
Risk-Based Capital Analysis					
14. Total adjusted capital	434,692,861	415,814,234	371,583,769	298,658,624	292,996,877
15. Authorized control level risk-based capital	63,315,995	58,616,377	58,232,394	57,430,307	58,588,774
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	384,423	383,138	383,534	390,593	402,276
17. Total members months (Column 6, Line 7)	4,632,706	4,615,572	4,615,952	4,711,740	4,816,302
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	85.9	82.2	84.6	82.9	85.9
20. Cost containment expenses	1.6	1.5	1.5	1.5	1.5
21. Other claims adjustment expenses	1.7	1.9	1.9	2.0	2.2
22. Total underwriting deductions (Line 23)	99.5	99.5	98.3	97.8	99.5
23. Total underwriting gain (loss) (Line 24)	0.5	0.5	1.7	2.2	0.5
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	124,937,641	129,180,624	101,558,671	106,442,653	112,580,824
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	143,577,383	135,665,500	130,533,385	145,191,887	133,387,323
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	2,531,710	3,531,202	1,954,193	19,320,044	16,517,308
32. Total of above Lines 26 to 31	2,531,710	3,531,202	1,954,193	19,320,044	16,517,308
33. Total investment in parent included in Lines 26 to 31 above.					

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

Yes [] No []

If no, please explain:

.....
.....
.....
.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	10
	Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	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	956,015,026	713,076,073		129,715,584			1,798,806,683	
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		956,015,026	713,076,073		129,715,584			1,798,806,683	
60. Reporting entity contributions for Employee Benefit Plans	X X X		4,517	1,046,277					1,050,794	
61. Totals (Direct Business)	X X X		956,019,543	714,122,350		129,715,584			1,799,857,477	

DETAILS OF WRITE-INS										
5800	X X X									
5800	X X X									
5800	X X X									
5899 Summary of remaining write-ins for Line 58 from overflow page	X X X									
5899 Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X									

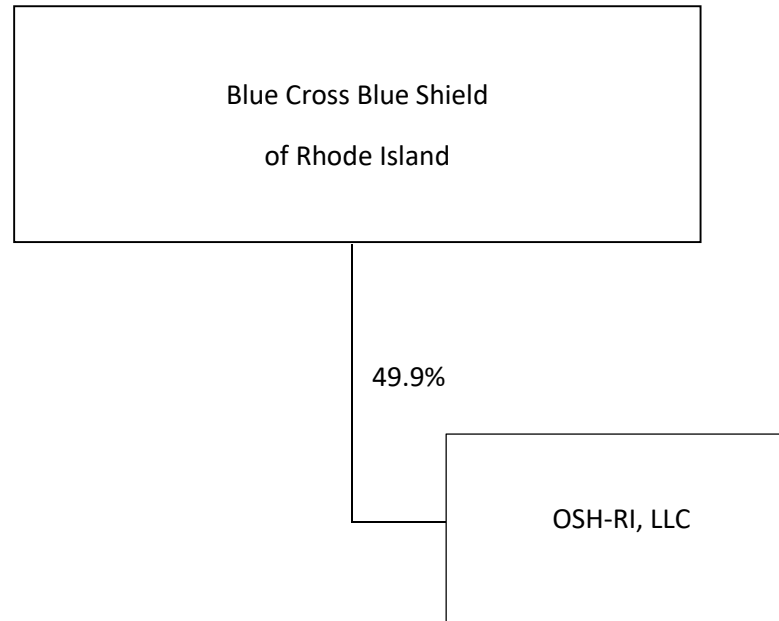
NONE

- (a) Active Status Counts
- L - Licensed or Chartered - License 1
 - E - Eligible - Reporting entities elig _____
 - R - Registered - Non-domiciled RR _____
 - Q - Qualified - Qualified or accredit _____
 - N - None of the above - Not allow 56

(b) **Explanation of basis of allocation of premiums by states, etc.**
 ALL PREMIUMS ARE ALLOCATED TO RHODE ISLAND

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

PART 1 - ORGANIZATIONAL CHART



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. HISTORICAL TAX CREDITS	3,280,000		3,280,000	4,100,000
2505. LEASEHOLD IMPROVEMENTS	1,019,547	1,019,547		
2506. LOAN & INTEREST RECEIVABLE	455,237	455,000	237	
2507. COLLATERAL FUND HOME & HOST	207,433		207,433	216,974
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	4,962,217	1,474,547	3,487,670	4,316,974

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	894,768		894,768	1,710,986
2397. Totals (Lines 2304 through 2396) (Page 3, Line 23)	894,768		894,768	1,710,986

OVERFLOW PAGE FOR WRITE-INS

Page 4 - Continuation**STATEMENT OF REVENUE AND EXPENSES**

WRITE-INS AGGREGATED AT LINE 29 FOR STATEMENT OF REVENUE AND EXPENSES	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
2904. PREMIUM ASSISTANCE PROGRAM			(6,905)
2905. INTEREST EXPENSE LINE OF CREDIT			(76,300)
2906. WELLNESS WORKS EXPENSE			(2,063,048)
2907. INTEREST EXPENSE IRS		(102,995)	1,100,542
2908. BANK SERVICE CHARGES		(309,785)	(283,709)
2909. HEALTH INFORMATION EXCHANGE		(1,147,380)	(1,185,612)
2910. OTHER INCOME (NET OF PENALTIES)		(12,216,438)	(10,088,283)
2997. Totals (Lines 2901 through 2996) (Page 4, Line 2998)		(13,776,598)	(12,603,315)

OVERFLOW PAGE FOR WRITE-INS

Page 13 - Continuation

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
WRITE-INS AGGREGATED AT LINE 05 FOR UNDERWRITING AND INVESTMENT EXHIBIT	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
0597. Totals (Lines 0501 through 0596) (Page 13, Line 0598)									
WRITE-INS AGGREGATED AT LINE 11 FOR UNDERWRITING AND INVESTMENT EXHIBIT	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1197. Totals (Lines 1101 through 1196) (Page 13, Line 1198)									

OVERFLOW PAGE FOR WRITE-INS

Page 14 - Continuation

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1	2			
WRITE-INS AGGREGATED AT LINE 25 FOR UNDERWRITING AND INVESTMENT EXHIBIT	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504. AGENCY & PORTFOLIO MANAGEMENT FEES				1,544,100	1,544,100
2505. CLAIMS HANDLING EXPENSE		(37,500)			(37,500)
2506. BLUECARD ADMIN FEE INCOME	(2,783,098)	(2,924,764)			(5,707,862)
2597. Totals (Lines 2501 through 2596) (Page 14, Line 2598)	(2,783,098)	(2,962,264)		1,544,100	(4,201,262)

OVERFLOW PAGE FOR WRITE-INS

Page 16 - Continuation

EXHIBIT OF NONADMITTED ASSETS

DETAILS OF WRITE-IN LINES FOR OTHER THAN INVESTED ASSETS AT LINE 25	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. OTHER RECEIVABLES	352,985	1,054,630	701,645
2505. FEP UNPAID CLAIMS			
2506. HISTORICAL TAX CREDITS			
2507. COLLATERAL FUND HOME & HOST			
2597. Totals (Lines 2504 through 2596) (Page 16, Line 2598)	352,985	1,054,630	701,645

OVERFLOW PAGE FOR WRITE-INS

Page 17 - Continuation

EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
WRITE-INS AGGREGATED AT LINE 06 FOR EXHIBIT 1						
0604. VISION ONLY	16,263	16,249	16,788	17,504	17,604	203,183
0605. MEDICARE PRESCRIPTION DRUG PLAN	11,399	10,804	10,749	10,258	10,177	126,322
0697. Totals (Lines 0601 through 0697) (Page 17, Line 06)	27,662	27,053	27,537	27,762	27,781	329,505