

**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, 2023**

**HEALTH**

**2023**



53473202320100100

# ANNUAL STATEMENT

For the Year Ended December 31, 2023  
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)  
401-459-1000 (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 MICHAEL J. MARRONE 401-459-2183  
 (Name) (Area Code) (Telephone Number) (Extension)  
MICHAEL.MARRONE@BCBSRI.ORG 401-459-2183  
 (E-Mail Address) (Fax Number)

### OFFICERS

	Name	Title
1.	MARTHA L. WOFFORD	PRESIDENT & CHIEF EXECUTIVE OFFICER
2.	MICHELE B. LEDERBERG	EVP. CHIEF ADMIN OFFICER & CHIEF LEGAL OFFICER
3.	MICHAEL J. MARRONE #	EXEC. VICE PRESIDENT & CHIEF FINANCIAL OFFICER

### VICE-PRESIDENTS

Name	Title	Name	Title
ANASTASIA BERGMAN	VP - CHIEF PEOPLE OFFICER	CHRISTOPHER G. BUSH	SVP - NETWORK MANAGEMENT
DAVID COMELLA	VP - CHIEF INFORMATION OFFICER	MELISSA B. CUMMINGS	EVP - CHIEF CUSTOMER OFFICER
TARA L. DEMOURA	SVP - EMPLOYER SEGMENT	JOHN DONOHUE #	VP - GROUP SALES
JEREMY S. DUNCAN	VP - MARKETING	PETER N. LEFEBER	SVP - VALUE BASED CARE
BRIAN MACKINTOSH #	VP - ACTUARIAL AND UNDERWRITING	KRISTEN MCLEAN	VP - GENERAL COUNSEL
MICHAEL MENARD	VP - MEDICARE	CHRISTINE MUSIAL	VP - SHARED SERVICES
CHRISTINA PITNEY	SVP - GOVERNMENT PROGRAMS	FARAH SHAFI #	EVP - CHIEF MEDICAL OFFICER
LINDA WINFREY	VP - CHIEF AUDITOR		

### DIRECTORS OR TRUSTEES

ERNEST ALMONTE #	CHRISTOPHER BUFFERY	STEPHEN COHAN	CHRISTOPHER CROSBY
NICHOLAS DENICE	JOSEPH DIAZ M.D.	MICHAEL DICHIRO	LOUIS GIANCOLA
KAREN HAMMOND	MARGARET HOLLAND MCDUFF	DONNA HUNTLEY-NEWBY	MICHAEL A ISRAELITE
SHARON MORRIS	WILLIAM MURRAY	DEBRA PAUL	PETER QUATTROMANI
ROBERT A. SANDERS	MARTHA TEMPLE #	VICKI VIRGILIO #	

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)  
MARTHA L. WOFFORD  
 (Printed Name)  
 1.  
 PRESIDENT & CHIEF EXECUTIVE OFFICER  
 (Title)

(Signature)  
MICHELE B. LEDERBERG  
 (Printed Name)  
 2.  
 EVP. CHIEF ADMIN OFFICER & CHIEF LEGAL OFFICER  
 (Title)

(Signature)  
MICHAEL J. MARRONE  
 (Printed Name)  
 3.  
 EXEC. VICE PRESIDENT & CHIEF FINANCIAL OFFICER  
 (Title)

Subscribed and sworn to (or affirmed) before me this on this \_\_\_\_\_ day of \_\_\_\_\_, 2024, 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)	462,559,415		462,559,415	458,106,866
2. Stocks (Schedule D):				
2.1 Preferred stocks	21,128,948		21,128,948	26,068,041
2.2 Common stocks	105,454,145		105,454,145	81,865,522
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 \$ 38,732,479 encumbrances)	45,321,428		45,321,428	42,583,869
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 16,729,291, Schedule E - Part 1), cash equivalents (\$ 8,135,378, Schedule E - Part 2), and short-term investments (\$ 0, Schedule DA)	24,864,668		24,864,668	(4,319,130)
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	39,562,025		39,562,025	25,285,654
9. Receivables for securities	191		191	255
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)	698,890,820		698,890,820	629,591,077
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	3,190,224		3,190,224	3,138,174
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	33,378,746	5,977,817	27,400,929	28,044,907
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 (\$ 677,611) and contracts subject to redetermination (\$ 35,954,401)	36,632,012		36,632,012	71,088,826
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	18,373,777		18,373,777	20,480,988
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	115,513,112	2,901,687	112,611,425	79,252,216
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	37,478,993	37,429,573	49,420	91,779
21. Furniture and equipment, including health care delivery assets (\$ 0)	460,747	460,747		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 81,745,555) and other amounts receivable	84,846,905	3,101,350	81,745,555	46,663,680
25. Aggregate write-ins for other-than-invested assets	86,150,255	39,250,064	46,900,191	44,351,690
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,114,915,591	89,121,238	1,025,794,353	922,703,337
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	1,114,915,591	89,121,238	1,025,794,353	922,703,337

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	35,625,455	1,547,041	34,078,414	32,193,157
2502. PREPAID EXPENSES	34,867,325	34,867,325		
2503. FEP UNPAID CLAIMS	10,969,000		10,969,000	9,499,967
2598. Summary of remaining write-ins for Line 25 from overflow page	4,688,475	2,835,698	1,852,777	2,658,566
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	86,150,255	39,250,064	46,900,191	44,351,690

NONE

## LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 0 reinsurance ceded)	172,331,717		172,331,717	139,367,499
2. Accrued medical incentive pool and bonus amounts	53,315,471		53,315,471	42,897,616
3. Unpaid claims adjustment expenses	20,437,460		20,437,460	24,377,316
4. Aggregate health policy reserves, including the liability of \$ 0 for medical loss ratio rebate per the Public Health Services Act	91,542,426		91,542,426	82,983,616
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves	4,496,000		4,496,000	3,821,000
8. Premiums received in advance	17,915,388		17,915,388	22,209,188
9. General expenses due or accrued	49,481,505		49,481,505	66,332,986
10.1. Current federal and foreign income tax payable and interest thereon (including \$ 0 on realized gains (losses))	918,410		918,410	759,048
10.2. Net deferred tax liability				
11. Ceded reinsurance premiums payable	654,765		654,765	521,986
12. Amounts withheld or retained for the account of others	1,189,803		1,189,803	1,600,471
13. Remittances and items not allocated	4,910,614		4,910,614	3,147,643
14. Borrowed money (including \$ 70,000,000 current) and interest thereon \$ 98,133 (including \$ 98,133 current)	70,098,133		70,098,133	48,040,550
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities				2,327,117
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	78,641,032		78,641,032	58,749,961
23. Aggregate write-ins for other liabilities (including \$ 19,819,980 current)	20,313,132		20,313,132	16,612,757
24. Total liabilities (Lines 1 to 23)	586,245,856		586,245,856	513,748,754
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	439,548,497	408,954,583
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	439,548,497	408,954,583
34. Total liabilities, capital and surplus (Lines 24 and 33)	X X X	X X X	1,025,794,353	922,703,337

DETAILS OF WRITE-IN LINES				
2301. OTHER ACCOUNTS PAYABLE	19,451,827		19,451,827	15,608,463
2302. ACCRUED CAPITAL EXPENSES	1,436,141		1,436,141	2,012,398
2303. FEP & MISCELLANEOUS CLAIMS PAYABLES	232,012		232,012	248,427
2398. Summary of remaining write-ins for Line 23 from overflow page	(806,848)		(806,848)	(1,256,531)
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	20,313,132		20,313,132	16,612,757
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		

NONE

NONE

## STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months	X X X	4,251,422	4,607,876
2. Net premium income (including \$ 0 non-health premium income)	X X X	2,049,694,139	1,879,553,710
3. Change in unearned premium reserves and reserve for rate credits	X X X	(4,562,057)	4,044,694
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	2,045,132,082	1,883,598,404
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits		1,289,823,555	1,124,423,608
10. Other professional services		20,628,281	20,544,369
11. Outside referrals			
12. Emergency room and out-of-area		201,393,758	178,946,167
13. Prescription drugs		238,972,726	233,252,011
14. Aggregate write-ins for other hospital and medical		80,210,775	70,046,440
15. Incentive pool, withhold adjustments and bonus amounts		8,192,675	23,883,396
16. Subtotal (Lines 9 to 15)		1,839,221,770	1,651,095,991
<b>Less:</b>			
17. Net reinsurance recoveries		13,294,780	19,979,956
18. Total hospital and medical (Lines 16 minus 17)		1,825,926,990	1,631,116,035
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 30,072,099 cost containment expenses		63,506,822	59,630,823
21. General administrative expenses		172,654,392	181,846,685
22. Increase in reserves for life and accident and health contracts (including \$ 0 increase in reserves for life only)		9,000,000	(8,000,000)
23. Total underwriting deductions (Lines 18 through 22)		2,071,088,204	1,864,593,543
24. Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	(25,956,122)	19,004,861
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		14,859,094	12,198,100
26. Net realized capital gains (losses) less capital gains tax of \$ 0		(5,342,130)	(4,939,902)
27. Net investment gains (losses) (Lines 25 plus 26)		9,516,964	7,258,198
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		17,040,901	(5,219,670)
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	601,743	21,043,389
31. Federal and foreign income taxes incurred	X X X		
32. Net income (loss) (Lines 30 minus 31)	X X X	601,743	21,043,389

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			70,046,440
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)			70,046,440
2901. OTHER INCOME (NON CORE BUSINESS)			20,000,000
2902. OTHER INCOME (NET OF PENALTIES)			931,832
2903. INCOME HISTORIC TAX CREDITS			180,000
2998. Summary of remaining write-ins for Line 29 from overflow page			(4,070,931)
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)			17,040,901

## STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year	408,954,583	434,692,861
34. Net income or (loss) from Line 32	601,743	21,043,389
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	32,977,777	(29,027,876)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax		
39. Change in nonadmitted assets	(2,535,923)	(23,096,236)
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	(449,683)	5,342,445
48. Net change in capital and surplus (Lines 34 to 47)	30,593,914	(25,738,278)
49. Capital and surplus end of reporting year (Line 33 plus 48)	439,548,497	408,954,583

DETAILS OF WRITE-IN LINES		
4701. NON-QUALIFIED PENSION PLAN	(66,101)	1,246,328
4702. OTHER POSTEMPLOYMENT BENEFITS	(383,582)	4,096,117
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page		
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	(449,683)	5,342,445

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance	2,043,301,361	1,824,232,228
2. Net investment income	15,196,514	12,701,956
3. Miscellaneous income	18,400,263	(19,944,618)
4. Total (Lines 1 through 3)	2,076,898,138	1,816,989,566
5. Benefit and loss related payments	1,815,371,504	1,656,646,133
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	219,666,922	227,447,156
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)		
10. Total (Lines 5 through 9)	2,035,038,426	1,884,093,289
11. Net cash from operations (Line 4 minus Line 10)	41,859,712	(67,103,723)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	69,812,338	121,322,874
12.2 Stocks	29,283,488	25,029,838
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	63	31,184
12.8 Total investment proceeds (Lines 12.1 to 12.7)	99,095,889	146,383,896
13. Cost of investments acquired (long-term only):		
13.1 Bonds	77,423,429	131,507,526
13.2 Stocks	31,360,178	22,112,444
13.3 Mortgage loans		
13.4 Real estate	5,182,554	4,896,070
13.5 Other invested assets	444,490	492,173
13.6 Miscellaneous applications	2,327,117	
13.7 Total investments acquired (Lines 13.1 to 13.6)	116,737,768	159,008,213
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)	(17,641,879)	(12,624,317)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds	22,057,583	48,040,550
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(17,091,618)	(8,301,237)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	4,965,965	39,739,313
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	29,183,798	(39,988,727)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(4,319,130)	35,669,597
19.2 End of year (Line 18 plus Line 19.1)	24,864,668	(4,319,130)

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 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income	2,049,694,139	140,284,252	741,358,943	57,618,006	862,319	28,988,430	154,668,632	900,596,506					25,317,051	
2. Change in unearned premium reserves and reserve for rate credit	(4,562,057)						(4,562,057)							
3. Fee-for-service (net of \$ 0 medical expenses)														XXX
4. Risk revenue														XXX
5. Aggregate write-ins for other health care related revenues														XXX
6. Aggregate write-ins for other non-health care related revenues		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. Total revenues (Lines 1 to 6)	2,045,132,082	140,284,252	741,358,943	57,618,006	862,319	28,988,430	150,106,575	900,596,506					25,317,051	
8. Hospital/medical benefits	1,289,823,555	64,541,604	339,571,217	50,141,433			94,610,899	726,791,106					14,167,296	XXX
9. Other professional services	20,628,281				559,310	20,068,971								XXX
10. Outside referrals														XXX
11. Emergency room and out-of-area	201,393,758	26,121,954	142,245,239					33,026,565						XXX
12. Prescription drugs	238,972,726	29,021,669	128,310,677	1,231,894			34,074,304	37,353,441					8,980,741	XXX
13. Aggregate write-ins for other hospital and medical	80,210,775	9,834,838	41,731,503				9,287,150	19,357,284						XXX
14. Incentive pool, withhold adjustments and bonus amounts	8,192,675	1,018,343	4,380,605	24,357				2,769,370						XXX
15. Subtotal (Lines 8 to 14)	1,839,221,770	130,538,408	656,239,241	51,397,684	559,310	20,068,971	137,972,353	819,297,766					23,148,037	XXX
16. Net reinsurance recoveries	13,294,780	9,516,291	(48,701)										3,827,190	XXX
17. Total hospital and medical (Lines 15 minus 16)	1,825,926,990	121,022,117	656,287,942	51,397,684	559,310	20,068,971	137,972,353	819,297,766					19,320,847	XXX
18. Non-health claims (net)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
18. Claims adjustment expenses including \$ 30,072,099 cost containment														
19. General administrative expenses	63,506,822	5,114,266	17,752,689	2,578,290	47,069	1,315,104	4,128,371	31,833,253					737,780	
20. Increase in reserves for accident and health contracts	172,654,392	13,098,933	59,052,932	6,603,655	120,556	3,368,316	6,987,328	81,533,032					1,889,640	
21. Increase in reserves for life contracts	9,000,000	6,800,000	(8,800,000)	800,000				10,200,000						XXX
22. Increase in reserves for life contracts		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	2,071,088,204	146,035,316	724,293,563	61,379,629	726,935	24,752,391	149,088,052	942,864,051					21,948,267	
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(25,956,122)	(5,751,064)	17,065,380	(3,761,623)	135,384	4,236,039	1,018,523	(42,267,545)					3,368,784	

DETAILS OF WRITE-IN LINES														
050														XXX
050														XXX
050														XXX
059 Summary of remaining write-ins for Line 05 from overflow page														XXX
059 Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)														XXX
060		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
060		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
060		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
069 Summary of remaining write-ins for Line 06 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
069 Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
130 MENTAL HEALTH	80,210,775	9,834,838	41,731,503				9,287,150	19,357,284						XXX
130														XXX
130														XXX
139 Summary of remaining write-ins for Line 13 from overflow page														XXX
139 Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	80,210,775	9,834,838	41,731,503				9,287,150	19,357,284						XXX



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 – PREMIUMS

Line of Business	1  Direct Business	2  Reinsurance Assumed	3  Reinsurance Ceded	4  Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual	140,350,047		65,668	140,284,379
2. Comprehensive (hospital and medical) group	742,134,324		728,651	741,405,673
3. Medicare Supplement	57,618,006			57,618,006
4. Vision only	862,319			862,319
5. Dental only	28,988,430			28,988,430
6. Federal Employees Health Benefits Plan	150,106,575			150,106,575
7. Title XVIII – Medicare	900,596,506			900,596,506
8. Title XIX – Medicaid				
9. Credit A&H				
10. Disability Income				
11. Long-Term Care				
12. Other health	31,329,737		6,059,543	25,270,194
13. Health subtotal (Lines 1 through 12)	2,051,985,944		6,853,862	2,045,132,082
14. Life				
15. Property/casualty				
16. Totals (Lines 13 to 15)	2,051,985,944		6,853,862	2,045,132,082

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2 – CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	1,831,897,496	127,870,042	667,515,459	50,813,278	559,274	19,895,087	136,550,775	804,523,274					24,170,307	
1.2 Reinsurance assumed														
1.3 Reinsurance ceded	15,401,991	11,087,065	1,185,320										3,129,606	
1.4 Net	1,816,495,505	116,782,977	666,330,139	50,813,278	559,274	19,895,087	136,550,775	804,523,274					21,040,701	
2. Paid medical incentive pools and bonuses	(2,225,178)	123,246	(3,130,294)					781,870						
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	172,331,717	11,442,600	54,801,661	7,533,779		1,205,000	11,185,689	81,001,988					5,161,000	
3.2 Reinsurance assumed														
3.3 Reinsurance ceded														
3.4 Net	172,331,717	11,442,600	54,801,661	7,533,779		1,205,000	11,185,689	81,001,988					5,161,000	
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	4,496,000	4,496,000												
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net	4,496,000	4,496,000												
5. Accrued medical incentive pools and bonuses, current year	53,315,471	2,695,677	38,649,324					11,970,470						
6. Net healthcare receivables (a)	34,507,620	1,391,888	19,676,458			7,117	(20,737)	13,452,894						
7. Amounts recoverable from reinsurers December 31, current	18,373,777	16,801,790	941,691										630,296	
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	139,367,499	8,616,740	49,930,274	6,949,374	(36)	1,024,000	9,784,848	56,622,299					6,440,000	
8.2 Reinsurance assumed														
8.3 Reinsurance ceded														
8.4 Net	139,367,499	8,616,740	49,930,274	6,949,374	(36)	1,024,000	9,784,848	56,622,299					6,440,000	
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	3,821,000	3,821,000												
9.2 Reinsurance assumed														
9.3 Reinsurance ceded														
9.4 Net	3,821,000	3,821,000												
10. Accrued medical incentive pools and bonuses, prior year	42,897,616	2,259,528	31,733,446					8,904,642						
11. Amounts recoverable from reinsurers December 31, prior ye	20,480,988	18,372,565	1,918,981										189,442	
12. Incurred benefits:														
12.1 Direct	1,831,029,094	129,979,014	652,710,388	51,397,683	559,310	20,068,970	137,972,353	815,450,069					22,891,307	
12.2 Reinsurance assumed														
12.3 Reinsurance ceded	13,294,780	9,516,290	208,030										3,570,460	
12.4 Net	1,817,734,314	120,462,724	652,502,358	51,397,683	559,310	20,068,970	137,972,353	815,450,069					19,320,847	
13. Incurred medical incentive pools and bonuses	8,192,677	559,395	3,785,584					3,847,698						

(a) Excludes \$ 25,449 loans or advances to providers not yet expensed.

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	73,533,856	4,011,214	19,968,619	745,622		1,205,000	3,014,659	39,427,742					5,161,000	
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	73,533,856	4,011,214	19,968,619	745,622		1,205,000	3,014,659	39,427,742					5,161,000	
2. Incurred but Unreported:														
2.1 Direct	98,797,861	7,431,386	34,833,042	6,788,157			8,171,030	41,574,246						
2.2 Reinsurance assumed														
2.3 Reinsurance ceded														
2.4 Net	98,797,861	7,431,386	34,833,042	6,788,157			8,171,030	41,574,246						
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	172,331,717	11,442,600	54,801,661	7,533,779		1,205,000	11,185,689	81,001,988					5,161,000	
4.2 Reinsurance assumed														
4.3 Reinsurance ceded														
4.4 Net	172,331,717	11,442,600	54,801,661	7,533,779		1,205,000	11,185,689	81,001,988					5,161,000	

**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) individual	9,170,429	109,766,177	70,102		
2. Comprehensive (hospital and medical) group	40,871,346	625,853,265	871,591	53,930,070	41,742,937	49,930,274
3. Medicare Supplement	5,857,866	44,955,412	124,607	7,409,172	5,982,473	6,949,374
4. Vision only	20,935	538,339			20,935	(36)
5. Dental only	905,952	18,989,135	680	1,204,320	906,632	1,024,000
6. Federal Employees Health Benefits Plan	10,728,681	125,822,094	247,020	10,938,669	10,975,701	9,784,848
7. Title XVIII – Medicare	45,856,483	758,666,791	2,717,594	78,284,394	48,574,077	56,622,299
8. Title XIX – Medicaid						
9. Credit A&H						
10. Disability Income						
11. Long-Term Care						
12. Other health	5,741,323	14,858,524		5,161,000	5,741,323	6,440,000
13. Health subtotal (Lines 1 to 12)	119,153,015	1,699,449,737	4,031,594	172,796,123	123,184,609	143,188,499
14. Health care receivables (a)	49,610,281	35,194,172		42,452	49,610,281	49,668,801
15. Other non-health						
16. Medical incentive pools and bonus amounts	(1,483,453)	(741,726)	32,771,671	20,543,800	31,288,218	42,897,617
17. Totals (Lines 13 - 14 + 15 + 16)	68,059,281	1,663,513,839	36,803,265	193,297,471	104,862,546	136,417,315

(a) Excludes \$ 25,449 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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	718,756	717,618	717,740	717,661	717,568
2. 2019	662,738	705,347	705,400	705,318	705,290
3. 2020	X X X	606,294	648,665	648,689	648,891
4. 2021	X X X	X X X	659,193	704,448	704,526
5. 2022	X X X	X X X	X X X	637,782	682,402
6. 2023	X X X	X X X	X X X	X X X	758,283

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	718,625	717,618	717,740	717,661	717,568
2. 2019	749,695	708,877	705,400	705,318	705,290
3. 2020	X X X	691,736	654,981	648,689	648,891
4. 2021	X X X	X X X	722,943	706,225	704,526
5. 2022	X X X	X X X	X X X	732,412	713,349
6. 2023	X X X	X X X	X X X	X X X	837,227

**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. 2019	860,345	662,738			662,738	77.032			662,738	77.032
2. 2020	807,111	606,294			606,294	75.119			606,294	75.119
3. 2021	837,050	659,193			659,193	78.752			659,193	78.752
4. 2022	834,265	637,782	14,616	2.292	652,398	78.200	30,947	2,498	685,843	82.209
5. 2023	881,643	758,283	14,616	1.928	772,899	87.666	78,944	6,373	858,216	97.343

12HM

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	48,800	48,968	48,540	48,553	48,562
2. 2019	44,760	51,452	51,091	51,149	51,123
3. 2020	X X X	41,172	44,594	44,582	44,551
4. 2021	X X X	X X X	43,711	48,770	48,914
5. 2022	X X X	X X X	X X X	42,441	48,179
6. 2023	X X X	X X X	X X X	X X X	44,955

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	718,625	717,618	717,740	717,661	48,562
2. 2019	749,695	708,877	705,400	705,318	51,123
3. 2020	X X X	691,736	654,981	648,689	44,551
4. 2021	X X X	X X X	722,943	706,225	48,914
5. 2022	X X X	X X X	X X X	732,412	48,304
6. 2023	X X X	X X X	X X X	X X X	52,365

12.MS

**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. 2019	860,345	662,738			662,738	77.032			662,738	77.032
2. 2020	807,111	606,294			606,294	75.119			606,294	75.119
3. 2021	837,050	659,193			659,193	78.752			659,193	78.752
4. 2022	834,265	637,782	919	0.144	638,701	76.559	125	9	638,835	76.575
5. 2023	57,618	44,955	919	2.044	45,874	79.617	7,409	548	53,831	93.427

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	22,499	22,505	22,505	22,506	22,506
2. 2019	20,987	22,073	22,083	22,084	22,085
3. 2020	X X X	16,914	17,794	17,807	17,811
4. 2021	X X X	X X X	20,031	20,915	20,926
5. 2022	X X X	X X X	X X X	19,247	20,138
6. 2023	X X X	X X X	X X X	X X X	19,015

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	22,506	22,505	22,505	22,506	22,506
2. 2019	22,083	22,077	22,083	22,084	22,085
3. 2020	X X X	18,095	17,802	17,807	17,811
4. 2021	X X X	X X X	21,151	20,926	20,926
5. 2022	X X X	X X X	X X X	20,261	20,138
6. 2023	X X X	X X X	X X X	X X X	20,220

12D0

**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. 2019	30,756	20,987			20,987	68.237			20,987	68.237
2. 2020	28,158	16,914			16,914	60.068			16,914	60.068
3. 2021	28,818	20,031			20,031	69.509			20,031	69.509
4. 2022	29,030	19,247	360	1.870	19,607	67.540	1		19,608	67.544
5. 2023	28,988	19,015	360	1.893	19,375	66.838	1,204	218	20,797	71.743

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	384	384	384	384	384
2. 2019	337	342	342	342	342
3. 2020	X X X	440	449	449	449
4. 2021	X X X	X X X	424	440	440
5. 2022	X X X	X X X	X X X	498	519
6. 2023	X X X	X X X	X X X	X X X	538

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	384	384	384	384	384
2. 2019	337	342	342	342	342
3. 2020	X X X	440	449	449	449
4. 2021	X X X	X X X	424	440	440
5. 2022	X X X	X X X	X X X	498	519
6. 2023	X X X	X X X	X X X	X X X	538

**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. 2019	828	337			337	40.700			337	40.700
2. 2020	953	440			440	46.170			440	46.170
3. 2021	954	424			424	44.444			424	44.444
4. 2022	844	498			498	59.005			498	59.005
5. 2023	862	538			538	62.413			538	62.413

12.VO



**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 2019	2 2020	3 2021	4 2022	5 2023	
1. Prior		93,085	93,085	105,777	105,773	105,798
2. 2019	102,865		102,865	93,054	93,018	93,025
3. 2020	X X X		95,133	105,493	105,543	105,537
4. 2021	X X X	X X X		105,693	115,646	115,870
5. 2022	X X X	X X X	X X X		108,830	119,171
6. 2023	X X X	X X X	X X X	X X X		125,840

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	93,095	93,088	93,054	105,773	105,798
2. 2019	109,992	109,325	109,228	93,018	93,025
3. 2020	X X X	103,078	106,063	105,543	105,537
4. 2021	X X X	X X X	115,907	115,800	115,870
5. 2022	X X X	X X X	X X X	118,461	119,418
6. 2023	X X X	X X X	X X X	X X X	136,779

12FE

**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. 2019	117,667	102,865			102,865	87.420			102,865	87.420
2. 2020	116,045	95,133			95,133	81.979			95,133	81.979
3. 2021	129,716	105,693			105,693	81.480			105,693	81.480
4. 2022	129,006	108,830	2,469	2.269	111,299	86.274	247	33	111,579	86.491
5. 2023	150,107	125,840	2,469	1.962	128,309	85.478	10,939	1,466	140,714	93.742

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	438,955	438,590	438,583	438,517	438,516
2. 2019	472,427	507,508	507,513	507,616	507,676
3. 2020	X X X	498,362	536,807	536,617	536,666
4. 2021	X X X	X X X	587,167	622,520	622,312
5. 2022	X X X	X X X	X X X	665,766	700,130
6. 2023	X X X	X X X	X X X	X X X	781,810

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	439,588	438,590	438,583	438,517	438,516
2. 2019	536,386	510,982	507,513	507,616	507,676
3. 2020	X X X	568,671	546,449	536,617	536,666
4. 2021	X X X	X X X	675,496	623,667	622,312
5. 2022	X X X	X X X	X X X	730,100	705,614
6. 2023	X X X	X X X	X X X	X X X	871,493

12XV

**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. 2019	604,830	472,427			472,427	78.109			472,427	78.109
2. 2020	669,128	498,362			498,362	74.479			498,362	74.479
3. 2021	714,122	587,167			587,167	82.222			587,167	82.222
4. 2022	808,184	665,766	14,965	2.248	680,731	84.230	5,484	523	686,738	84.973
5. 2023	900,597	781,810	14,965	1.914	796,775	88.472	89,682	8,560	895,017	99.380

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior					
2. 2019					
3. 2020	XXX				
4. 2021	XXX	XXX			
5. 2022	XXX	XXX	XXX		
6. 2023	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. 2019										
2. 2020										
3. 2021										
4. 2022										
5. 2023										

12 XI

**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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior			16,874	16,874	16,874
2. 2019	16,874		16,317	16,317	16,317
3. 2020	X X X		13,948	97,935	97,935
4. 2021	X X X	X X X		17,621	206,663
5. 2022	X X X	X X X	X X X		15,878
6. 2023	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 2019	2 2020	3 2021	4 2022	5 2023
1. Prior			16,874	16,874	16,874
2. 2019	18,137		16,317	16,317	16,317
3. 2020	X X X		19,767	97,935	97,935
4. 2021	X X X	X X X		22,725	206,663
5. 2022	X X X	X X X	X X X		22,318
6. 2023	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. 2019	24,000	14,275			14,275	59.479			14,275	59.479
2. 2020	25,168	13,948			13,948	55.420			13,948	55.420
3. 2021	24,510	17,621			17,621	71.893			17,621	71.893
4. 2022	23,878	15,878	372	2.343	16,250	68.054	877	38	17,165	71.886
5. 2023	25,317	14,859	372	2.504	15,231	60.161	4,284	188	19,703	77.825

12.01

**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 2019	2 2020	3 2021	4 2022	5 2023	
1. Prior		1,339,353	1,338,024	1,350,403	1,350,268	1,350,208
2. 2019		1,318,389	1,405,904	1,395,800	1,395,844	1,395,858
3. 2020	X X X		1,272,263	1,451,737	1,451,622	1,451,840
4. 2021	X X X		X X X	1,433,840	1,719,402	1,719,651
5. 2022	X X X		X X X		1,490,442	1,590,701
6. 2023	X X X		X X X	X X X		1,745,300

**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 2019	2 2020	3 2021	4 2022	5 2023	
1. Prior		2,009,697	2,006,677	2,006,880	2,019,376	1,350,208
2. 2019		2,186,325	2,076,797	2,066,283	2,050,013	1,395,858
3. 2020	X X X		2,093,523	2,078,660	2,055,729	1,451,840
4. 2021	X X X		X X X	2,281,589	2,379,946	1,719,651
5. 2022	X X X		X X X		2,356,462	1,628,381
6. 2023	X X X		X X X	X X X		1,937,765

**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. 2019	2,498,771	1,936,367			1,936,367	77.493			1,936,367	77.493
2. 2020	2,453,674	1,837,385			1,837,385	74.883			1,837,385	74.883
3. 2021	2,572,220	2,049,322			2,049,322	79.671			2,049,322	79.671
4. 2022	2,659,472	2,085,783	33,701	1.616	2,119,484	79.696	37,681	3,101	2,160,266	81.229
5. 2023	2,045,132	1,745,300	33,701	1.931	1,779,001	86.987	192,462	17,353	1,988,816	97.246

12.GT

## UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A & H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
1. Unearned premium reserves	11,971,871						11,971,871						
2. Additional policy reserves (a)	39,400,000	9,800,000	19,400,000					10,200,000					
3. Reserve for future contingent benefits													
4. Reserve for rate credits or experience rating refunds (including \$ 0 for investment income)													
5. Aggregate write-ins for other policy reserves	40,170,555							40,170,555					
6. Totals (gross)	91,542,426	9,800,000	19,400,000				11,971,871	50,370,555					
7. Reinsurance ceded													
8. Totals (Net) (Page 3, Line 4)	91,542,426	9,800,000	19,400,000				11,971,871	50,370,555					
9. Present value of amounts not yet due on claims													
10. Reserve for future contingent benefits	590,000	104,160	485,840										
11. Aggregate write-ins for other claim reserves	3,906,000	3,906,000											
12. Totals (gross)	4,496,000	4,010,160	485,840										
13. Reinsurance ceded													
14. Totals (Net) (Page 3, Line 7)	4,496,000	4,010,160	485,840										

13

DETAILS OF WRITE-IN LINES													
0501	RETROSPECTIVE RISK ADJUSTER	40,170,555											
0502													
0503													
0598	Summary of remaining write-ins for Line 05 from overflo												
0599	Totals (Lines 0501 through 0503 plus 0598) (Line 05 ab	40,170,555						40,170,555					
1101	MATERNITY	3,906,000	3,906,000										
1102													
1103													
1198	Summary of remaining write-ins for Line 11 from overflo												
1199	Totals (Lines 1101 through 1103 plus 1198) (Line 11 ab	3,906,000	3,906,000										

(a) Includes \$ 0 premium deficiency reserve.

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$ 6,660,300 for occupancy of own building)		76,505	6,874,430		6,950,935
2. Salaries, wages and other benefits	28,540,084	15,575,575	60,229,781		104,345,440
3. Commissions (less \$ 0 ceded plus \$ 0 assumed)			18,433,511		18,433,511
4. Legal fees and expenses		75	155,326		155,401
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services	1,502,051	613,694	15,202,424		17,318,169
7. Traveling expenses	62,990	109,585	960,396		1,132,971
8. Marketing and advertising	7,737	3,130	4,646,030		4,656,897
9. Postage, express and telephone	228,838	797,791	2,297,770		3,324,399
10. Printing and office supplies	1,605	1,307,854	2,657,502		3,966,961
11. Occupancy, depreciation and amortization	15,607	101,900	1,272,017		1,389,524
12. Equipment					
13. Cost or depreciation of EDP equipment and software	7,563,590	4,785,797	35,387,051		47,736,438
14. Outsourced services including EDP, claims, and other services	4,174,367	15,850,168	54,843,334		74,867,869
15. Boards, bureaus and association fees	583	21,132	1,812,178		1,833,893
16. Insurance, except on real estate		192	3,734,283		3,734,475
17. Collection and bank service charges					
18. Group service and administration fees			2,748,137		2,748,137
19. Reimbursements by uninsured plans	(12,794,372)	(14,242,084)	(69,241,529)		(96,277,985)
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses				2,157,279	2,157,279
22. Real estate taxes				1,759,481	1,759,481
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			3,212,089		3,212,089
23.2 State premium taxes			19,780,849		19,780,849
23.3 Regulatory authority licenses and fees			3,959,114		3,959,114
23.4 Payroll taxes	1,796,087	950,445	3,265,074		6,011,606
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere					
25. Aggregate write-ins for expenses	(1,027,068)	7,482,964	424,625	1,435,485	8,316,006
26. Total expenses incurred (Lines 1 to 25)	30,072,099	33,434,723	172,654,392	5,352,245	(a) 241,513,459
27. Less expenses unpaid December 31, current year	9,671,551	10,765,909	49,481,506		69,918,966
28. Add expenses unpaid December 31, prior year	11,903,764	12,473,552	66,332,986		90,710,302
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)	32,304,312	35,142,366	189,505,872	5,352,245	262,304,795

DETAILS OF WRITE-IN LINES					
2501. HOME PLAN SERVICE CHARGE		8,643,407			8,643,407
2502. ADMINISTRATIVE ALLOWANCES	1,904,647	2,120,161			4,024,808
2503. AGENCY & PORTFOLIO MANAGEMENT FEES				1,435,485	1,435,485
2598. Summary of remaining write-ins for Line 25 from overflow page	(2,931,715)	(3,280,604)	424,625		(5,787,694)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(1,027,068)	7,482,964	424,625	1,435,485	8,316,006

(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) 1,362,603	1,557,884
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 13,573,006	13,429,206
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 1,467,380	1,467,380
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates	1,799,539	1,800,048
3. Mortgage loans	(c)	
4. Real estate	(d) 4,331,522	4,331,522
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 1,244,038	1,241,038
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		(872,199)
10. Total gross investment income	23,778,088	22,954,879
11. Investment expenses		(g) 5,352,245
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) 2,743,540
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		8,095,785
17. Net investment income (Line 10 minus Line 16)		14,859,094

DETAILS OF WRITE-IN LINES		
0901. INVESTMENT EXPENSES INTERNAL COSTS INVESTING AND INCOME		(447,211)
0902. PROMPT PAY INTEREST		(424,988)
0903.		
0998. Summary of remaining write-ins for Line 09 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		(872,199)
1501.	<b>NONE</b>	
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 \$ 667,324 accrual of discount less \$ 1,056,795 amortization of premium and less \$ 259,428 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	(868,927)		(868,927)		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	(3,302,417)		(3,302,417)	1,402,266	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	(1,225,282)		(1,225,282)	1,577,074	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	54,496		54,496	16,166,556	
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				13,831,881	
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	(5,342,130)		(5,342,130)	32,977,777	

DETAILS OF WRITE-IN LINES					
0901.	<b>NONE</b>				
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	5,977,817	10,218,684	4,240,867
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			
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	2,901,687	718,570	(2,183,117)
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	37,429,574	36,878,268	(551,306)
21. Furniture and equipment, including health care delivery assets	460,747	517,697	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	3,101,350	3,015,619	(85,731)
25. Aggregate write-ins for other-than-invested assets	39,250,064	35,236,478	(4,013,586)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	89,121,239	86,585,316	(2,535,923)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	89,121,239	86,585,316	(2,535,923)

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	34,867,325	33,004,444	(1,862,881)
2502. LEASEHOLD IMPROVEMENTS	2,590,359	643,462	(1,946,897)
2503. OTHER RECEIVABLES	1,547,041	1,343,233	(203,808)
2598. Summary of remaining write-ins for Line 25 from overflow page	245,339	245,339	
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	39,250,064	35,236,478	(4,013,586)

## 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	212,199	213,458	213,579	214,548	216,195	2,352,408
4. Point of Service						
5. Indemnity Only	638	619	607	586	569	7,221
6. Aggregate write-ins for other lines of business	173,104	171,595	174,744	170,394	171,742	1,891,793
7. Total	385,941	385,672	388,930	385,528	388,506	4,251,422

DETAILS OF WRITE-IN LINES							
0601. DENTAL ONLY		75,222	74,229	74,331	74,039	74,605	815,276
0602. STOP LOSS		46,227	46,026	48,997	45,249	46,336	512,281
0603. MEDICARE SUPPLEMENT		22,467	22,088	21,972	21,892	21,786	241,962
0698. Summary of remaining write-ins for Line 06 from overflow page		29,188	29,252	29,444	29,214	29,015	322,274
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 06 above)		173,104	171,595	174,744	170,394	171,742	1,891,793

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies and Going Concern

#### 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 2023 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.

A reconciliation of the Plan's net income and capital surplus between NAIC SAP and practices prescribed and permitted by the State of RI is shown below:

	SSAP #	F/S Page	F/S Line #	2023	2022
Net Income					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 601,743	\$ 21,043,390
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 601,743</u>	<u>\$ 21,043,390</u>
Surplus					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 439,548,497	\$ 408,954,583
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 439,548,497</u>	<u>\$ 408,954,583</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

- (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.
- (7) The Plan has a minority interest in International Blue Solutions, LLC with a carrying value of \$1,383,828. The Plan also has a minority interest in Blue Health Intelligence Co, LLC of \$1,290,225. The Plan also has a minority interest in Prime Therapeutics of \$24,447,286. The Plan also has a minority interest in Oak Street Health-RI, LLC of \$10,226,793. The Plan also has a minority interest in BCBS Venture Partners, LLC of \$2,038,013. The Plan also has a minority interest in BCBS Venture V, LLC of \$175,880.
- (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 Corrections of Errors

There were no Accounting Changes and Correction of Errors in 2023.

### 3. Business Combinations and Goodwill

There were no Business Combinations and resulting Goodwill in 2023.

#### A. Statutory Purchase Method - Not Applicable

## NOTES TO FINANCIAL STATEMENTS

### 3. Business Combinations and Goodwill (Continued)

- B. Statutory Merger - Not Applicable
- C. Assumption Reinsurance - Not Applicable
- D. Impairment Loss - Not Applicable
- E. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill - Not Applicable

### 4. Discontinued Operations

The Plan did not incur discontinued operations for 2023.

- A. Discontinued Operation Disposed of or Classified as Held for Sale - Not Applicable
- B. Change in Plan of Sale of Discontinued Operation - Not Applicable
- C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal - Not Applicable
- D. Equity Interest Retained in the Discontinued Operation After Disposal - Not Applicable

### 5. Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans

The Plan did not have any outstanding mortgage loans in 2023.

- (1) Maximum and minimum lending rates for mortgage loans - Not Applicable
- (2) Maximum percentage of any one loan to the value of security - Not Applicable
- (3) Taxes, assessments and any amounts advanced and not included in mortgage loan total - Not Applicable
- (4) Age analysis of mortgage loans and identification of mortgage loans in which the insurer is a participant or co-lender in a mortgage loan agreement - Not Applicable
- (5) Investment in impaired loans with or without allowance for credit losses and impaired loans subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan - Not Applicable
- (6) Investment in impaired loans - average recorded investment, interest income recognized, recorded investment on nonaccrual status and amount of interest income recognized using a cash-basis method of accounting - Not Applicable
- (7) Allowance for credit losses - Not Applicable
- (8) Mortgage loans derecognized as a result of foreclosure - Not Applicable
- (9) Policy for recognizing interest income and impaired loans - Not Applicable

#### B. Debt Restructuring

The Plan did not have any debt restructuring in 2023.

#### C. Reverse Mortgages

The Plan did not have any reverse mortgages in 2023.

- (1) Accounting policies and methods - Not Applicable
- (2) Commitment under agreement - Not Applicable
- (3) Reserve netted against reverse mortgage assets - Not Applicable
- (4) Investment income or loss recognized as a result of re-estimated cash flows - Not Applicable

#### 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) Loan-backed and structured securities with a recognized other-than-temporary impairment (OTTI)

The Plan did not recognize other-than-temporary impairment (OTTI) for loan-backed securities:

## NOTES TO FINANCIAL STATEMENTS

### 5. Investments (Continued)

	(1) Amortized Cost Basis Before Other- Than-Temporary Impairment	(2) Other-Than- Temporary Impairment Recognized in Loss	(3) Fair Value (1 - 2)
OTTI Recognized 1st Quarter			
a. Intent to sell	\$	\$	\$
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
c. Total 1st Quarter (a+b)	\$	\$	\$
OTTI Recognized 2nd Quarter			
d. Intent to sell	\$	\$	\$
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
f. Total 2nd Quarter (d+e)	\$	\$	\$
OTTI Recognized 3rd Quarter			
g. Intent to sell	\$	\$	\$
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
i. Total 3rd Quarter (g+h)	\$	\$	\$
OTTI Recognized 4th Quarter			
j. Intent to sell	\$	\$	\$
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
l. Total 4th Quarter (j+k)	\$	\$	\$
m. Annual aggregate total (c+f+i+l)		\$	

- (3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities

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

(1) CUSIP	(2) Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	(3) Present Value of Projected Cash Flows	(4) Recognized OTTI	(5) Amortized Cost After OTTI	(6) Fair Value at Time of OTTI	(7) Date of Financial Statement Where Reported
Total			\$			

- (4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss

Loan-backed securities with unrealized losses as of December 31, 2023:

a. The aggregate amount of unrealized losses:	
1. Less than 12 months	\$ 214,800
2. 12 months or longer	15,264,161
b. The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months	\$ 17,709,255
2. 12 months or longer	112,998,320

- (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, 2023, 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. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (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, Corporate Bonds and Equity with a carrying value of \$211,098,605.
- (3) Collateral received  
The Plan has not accepted any collateral.
- (a) Aggregate amount collateral received - Not Applicable
- (b) Fair value and portion sold or repledged - Not Applicable
- (c) Sources and uses of collateral - Not Applicable
- (4) The Plan does not have any securities lending transactions.

## NOTES TO FINANCIAL STATEMENTS

### 5. Investments (Continued)

(5) Collateral reinvestment

The Plan does not have any collateral reinvestment.

(6) The Plan has not accepted any collateral.

(7) Collateral for securities lending transactions that extend beyond one year from the reporting date

The Plan does not have any securities lending transactions.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable

J. Real Estate

The Plan does not hold real estate for investment purposes.

(1) Impairment loss - Not Applicable

(2) Real estate sold or classified held for sale - Not Applicable

(3) Changes to a plan of sale for an investment in real estate - Not Applicable

(4) Retail land sales operations - Not Applicable

(5) Participating mortgage loan features - Not Applicable

K. Low-Income Housing Tax Credits (LIHTC)

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

(1) Remaining years of unexpired tax credits - Not Applicable

(2) Amount of LIHTC and other tax benefits - Not Applicable

(3) Balance of investment recognized - Not Applicable

(4) Regulatory reviews - Not Applicable

(5) Significance of an investment - Not Applicable

(6) Impaired assets - Not Applicable

(7) Write-downs and reclassifications - Not Applicable

L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	(1) Total Gross (Admitted & Nonadmitted) Restricted from Current Year	(2) Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	(3) Increase / (Decrease) (1 - 2)	(4) Total Current Year Nonadmitted Restricted	(5) Total Current Year Admitted Restricted (1 - 4)	(6) Gross (Admitted & Nonadmitted) Restricted to Total Assets	(7) Admitted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ 35,958,000	\$ 37,417,000	\$ (1,459,000)		\$ 35,958,000	3.225 %	3.505 %
b. Collateral held under security lending agreements							
c. Subject to repurchase agreements	57,582	77,590	(20,008)		57,582	0.005 %	0.006 %
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock							
i. FHLB capital stock	3,261,400	2,382,200	879,200		3,261,400	0.293 %	0.318 %
j. On deposit with states							
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)	171,821,623	75,527,993	96,293,630		171,821,623	15.411 %	16.750 %
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total restricted assets (Sum of a through n)	<u>\$ 211,098,605</u>	<u>\$ 115,404,783</u>	<u>\$ 95,693,822</u>	<u>\$</u>	<u>\$ 211,098,605</u>	<u>18.934 %</u>	<u>20.579 %</u>

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

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

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

Other Restricted Assets is not applicable to the Plan.

(4) Collateral received and reflected as assets within the reporting entity's financial statements

The Plan does not have any Collateral received in Assets.

## NOTES TO FINANCIAL STATEMENTS

### 5. Investments (Continued)

#### M. Working Capital Finance Investments

The Plan does not have any Working Capital Finance Investments.

- (1) Aggregate working capital finance investments (WCFI) book/adjusted carrying value by NAIC designation - Not Applicable
- (2) Aggregate maturity distribution on the underlying working capital finance programs - Not Applicable
- (3) Events of default of working capital finance investments during the reporting period - Not Applicable

#### N. Offsetting and Netting of Assets and Liabilities

The Plan does not offset Assets and Liabilities of Investments.

#### O. 5GI Securities

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

#### P. Short Sales

The Plan does not have any short sales.

- (1) Unsettled short sale transactions (outstanding as of reporting date) - Not Applicable
- (2) Settled short sale transactions - Not Applicable

#### Q. Prepayment Penalty and Acceleration Fees

The Plan did not have any prepayment and acceleration fees in 2023.

	General Account
(1) Number of CUSIPs .....	.....
(2) Aggregate amount of investment income .....	\$ .....

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

Asset Type	Percent Share
(1) Cash .....	67.300 %
(2) Cash Equivalents .....	32.700 %
(3) Short-Term Investments .....	..... %
(4) Total (Must Equal 100%) .....	100.000 %

### 6. Joint Ventures, Partnerships and Limited Liability Companies

#### A. Investments in Joint Ventures, Partnerships or Limited Liability Companies that Exceed 10% of Admitted Assets

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

#### B. Impaired Investments in Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

### 7. Investment Income

#### A. Due and Accrued Income Excluded from Surplus

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

#### B. Total Amount Excluded - Not Applicable

#### C. The gross, nonadmitted and admitted amounts for interest income due and accrued

	Interest Income Due and Accrued	Amount
1. Gross .....	\$ .....	3,190,224
2. Nonadmitted .....	\$ .....	.....
3. Admitted .....	\$ .....	3,190,224

#### D. The aggregate deferred interest - Not Applicable

#### E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance - Not Applicable

### 8. Derivative Instruments

The Plan does not own any derivative instruments.

#### A. Derivatives under SSAP No. 86 - Derivatives - Not Applicable

#### B. Derivatives under SSAP No. 108 - Derivative Hedging Variable Annuity Guarantees (Life/Fraternal Only) - Not Applicable

### 9. Income Taxes

The Inflation Reduction Act created the Corporate Alternative Minimum Tax (CAMT), which imposes a 15% minimum tax on the adjusted financial statement income of large corporations for taxable years beginning after December 31, 2022. The CAMT generally applies to large corporations with average annual financial statement income exceeding \$1.0 billion. Given the \$1.0 billion dollar threshold, BCBSRI will not be subject to the CAMT.

## NOTES TO FINANCIAL STATEMENTS

### 9. Income Taxes (Continued)

#### A. Components of the Net Deferred Tax Asset/(Liability)

##### (1) Change between years by tax character

	2023			2022			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 48,023,489	\$ 1,551,087	\$ 49,574,576	\$ 48,674,965	\$ 855,562	\$ 49,530,527	\$ (651,476)	\$ 695,525	\$ 44,049
(b) Statutory valuation allowance adjustments	39,372,265	1,551,087	40,923,352	47,674,883	855,562	48,530,445	(8,302,618)	695,525	(7,607,093)
(c) Adjusted gross deferred tax assets (1a - 1b)	8,651,224	-	8,651,224	1,000,082	-	1,000,082	7,651,142	-	7,651,142
(d) Deferred tax assets nonadmitted									
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 8,651,224	\$ -	\$ 8,651,224	\$ 1,000,082	\$ -	\$ 1,000,082	\$ 7,651,142	\$ -	\$ 7,651,142
(f) Deferred tax liabilities	689,128	7,962,096	8,651,224		1,000,082	1,000,082	689,128	6,962,014	7,651,142
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ 7,962,096	\$ (7,962,096)	\$ -	\$ 1,000,082	\$ (1,000,082)	\$ -	\$ 6,962,014	\$ (6,962,014)	\$ -

##### (2) Admission calculation components SSAP No. 101

	2023			2022			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	7,962,096	(7,962,096)	-	1,000,082	(1,000,082)	-	6,962,014	(6,962,014)	-
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX		XXX	XXX		XXX	XXX	
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities									
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 7,962,096	\$ (7,962,096)	\$ -	\$ 1,000,082	\$ (1,000,082)	\$ -	\$ 6,962,014	\$ (6,962,014)	\$ -

##### (3) Ratio used as basis of admissibility

	2023	2022
(a) Ratio percentage used to determine recovery period and threshold limitation amount	656.200 %	637.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 65,924,862	\$ 61,329,421

##### (4) Impact of tax-planning strategies

###### (a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

	2023		2022		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 8,651,224	\$ -	\$ 1,000,082	\$ -	\$ 7,651,142	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 8,651,224	\$ -	\$ 1,000,082	\$ -	\$ 7,651,142	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

###### (b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

#### B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable



## NOTES TO FINANCIAL STATEMENTS

### 9. Income Taxes (Continued)

#### C. Major Components of Current Income Taxes Incurred

	(1) 2023	(2) 2022	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$	\$	\$
(b) Foreign			
(c) Subtotal (1a+1b)	\$	\$	\$
(d) Federal income tax on net capital gains			
(e) Utilization of capital loss carry-forwards			
(f) Other			
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$	\$	\$
	(1) 2023	(2) 2022	(3) Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 729,355	\$ 562,037	\$ 167,318
(2) Unearned premium reserve			
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs	5,137,421	5,141,427	(4,006)
(6) Policyholder dividends accrual			
(7) Fixed assets	3,604,060	3,691,319	(87,259)
(8) Compensation and benefits accrual	2,266,819	5,855,531	(3,588,712)
(9) Pension accrual		(717,379)	717,379
(10) Receivables - nonadmitted	1,637,038	1,117,780	519,258
(11) Net operating loss carry-forward	15,191,285	15,191,285	-
(12) Tax credit carry-forward			
(13) Other	19,457,511	17,832,965	1,624,546
(99) Subtotal (Sum of 2a1 through 2a13)	\$ 48,023,489	\$ 48,674,965	\$ (651,476)
(b) Statutory valuation allowance adjustment	39,372,265	47,674,883	(8,302,618)
(c) Nonadmitted			
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 8,651,224	\$ 1,000,082	\$ 7,651,142
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward	1,551,087	855,562	695,525
(3) Real estate			
(4) Other			
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ 1,551,087	\$ 855,562	\$ 695,525
(f) Statutory valuation allowance adjustment	1,551,087	855,562	695,525
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	\$ 8,651,224	\$ 1,000,082	\$ 7,651,142
	(1) 2023	(2) 2022	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$	\$	\$
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other	689,128		689,128
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 689,128	\$	\$ 689,128
(b) Capital			
(1) Investments	\$ 7,962,096	\$ 1,000,082	\$ 6,962,014
(2) Real estate			
(3) Other			
(99) Subtotal (3b1+3b2+3b3)	\$ 7,962,096	\$ 1,000,082	\$ 6,962,014
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 8,651,224	\$ 1,000,082	\$ 7,651,142
4. Net deferred tax assets/liabilities (2i - 3c)	\$ -	\$ -	\$ -

## NOTES TO FINANCIAL STATEMENTS

### 9. Income Taxes (Continued)

#### D. Among the More Significant Book to Tax Adjustments

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:

	2023	Effective Tax Rate
Income before Taxes (including all realized capital gains/losses)	\$ 126,366	21.000 %
Health Insurer fee		
Special 3 month reserve deduction	(262,852)	-43.682
Change in Unrealized gains/losses	6,830,900	1,135.186
Revisions to estimates	231,770	38.516
Statutory Valuation Allowance Adjustment	(8,002,336)	-1,329.859
Permanent differences	1,502,141	249.632
Change in non-admitted assets	(532,544)	-88.500
Other	106,555	17.708
<b>Total</b>	<b>\$ -</b>	<b>- %</b>

	2023	Effective Tax Rate
Federal Income Taxes Incurred	\$	%
Change in net deferred income taxes		
<b>Total statutory income taxes</b>	<b>\$</b>	<b>%</b>

#### E. Operating Loss and Tax Credit Carryforwards

##### (1) Carryforwards, recoverable taxes, and IRC 6603 deposits

Plan has net operating loss carryforwards of \$72,339,452 expiring through calendar years 2032 to 2036.

Plan has contribution carryforwards of \$7,363,693 expiring in calendar year 2026 to 2027.

Plan has capital loss carryforwards of \$7,386,130 expiring in calendar year 2027 to 2028.

##### (2) Income tax expense available for recoupment

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.

##### (3) Deposits admitted under IRS Code Section 6603 - Not Applicable

#### F. Consolidated Federal Income Tax Return

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

##### (2) Method of allocation - Not Applicable

#### G. Federal or Foreign Income Tax Loss Contingencies

The Plan has not recorded any contingencies related to taxes.

#### H. Repatriation Transition Tax (RTT) - Not Applicable

#### I. Alternative Minimum Tax (AMT) Credit - Not Applicable

### 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

#### A. See Schedule Y Part 1 for nature of relationship.

#### B. BCBSRI made an initial investment in OSH-RI, LLC on November 20, 2018 of \$3,493,000. BCBSRI did not make additional contributions in OSH-RI, LLC for the periods ended December 31, 2023 and 2022 of \$0 and \$0, respectively. BCBSRI current carrying value as of December 31, 2023 in OSH-RI, LLC is \$10,226,793.

#### C. Transactions With Related Party Who Are Not Reported on Schedule Y - Not Applicable

#### D. Amounts Due To or From Related Parties - Not Applicable

#### E. Management Service Contracts and Cost Sharing Arrangements - Not Applicable

#### F. Guarantees or Contingencies - Not Applicable

#### G. Nature of Relationships that Could Affect Operations - Not Applicable

#### H. Amount Deducted for Investment in Upstream Company - Not Applicable

#### I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable

#### J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

#### K. Foreign Subsidiary Value Using CARVM - Not Applicable

#### L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

#### M. All SCA Investments - Not Applicable

#### N. Investment in Insurance SCAs - Not Applicable

## NOTES TO FINANCIAL STATEMENTS

### 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

### 11. Debt

#### A. Mortgage on Building

- (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 \$38,732,479.
- (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 \$2,365,825.
- (9) Loan converted to fixed rate mortgage instrument in February 2010.
- (10) Not Applicable
- (11) Not Applicable
- (12) Not 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 \$130,000,000. The Plan has calculated this amount with approval from the Plan's Board of Directors.
- (2) FHLB capital stock
  - (a) Aggregate totals

	Total
1. Current Year	
(a) Membership stock - Class A .....	\$ .....
(b) Membership stock - Class B .....	461,400
(c) Activity stock .....	2,800,000
(d) Excess stock .....	.....
(e) Aggregate total (a+b+c+d) .....	\$ 3,261,400
(f) Actual or estimated borrowing capacity as determined by the insurer .....	\$ 130,000,000
2. Prior Year-End	
(a) Membership stock - Class A .....	\$ .....
(b) Membership stock - Class B .....	462,200
(c) Activity stock .....	1,920,000
(d) Excess stock .....	.....
(e) Aggregate total (a+b+c+d) .....	\$ 2,382,200
(f) Actual or estimated borrowing capacity as determined by the insurer .....	\$ 60,000,000

(b) Membership stock (class A and B) eligible and not eligible for redemption

		Eligible for Redemption				
Membership Stock	(1) Current Year Total (2+3+4+5+6)	(2) Not Eligible for Redemption	(3) Less Than 6 Months	(4) 6 Months to Less Than 1 Year	(5) 1 to Less Than 3 Years	(6) 3 to 5 Years
1. Class A .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
2. Class B .....	\$ 461,400	\$ 461,400	\$ .....	\$ .....	\$ .....	\$ .....

(3) Collateral pledged to FHLB

(a) Amount pledged as of reporting date

	(1) Fair Value	(2) Carrying Value	(3) Aggregate Total Borrowing
1. Current year total collateral pledged .....	\$ 160,360,195	\$ 171,821,623	\$ 70,000,000
2. Prior year-end total collateral pledged .....	70,964,422	75,527,993	48,000,000

## NOTES TO FINANCIAL STATEMENTS

### 11. Debt (Continued)

(b) Maximum amount pledged during reporting period

	(1)	(2)	(3)
	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
1. Current year total maximum collateral pledged .....	\$ 160,360,195	\$ 171,821,623	\$ 70,000,000
2. Prior year-end total maximum collateral pledged .....	70,964,422	75,527,993	48,000,000

(4) Borrowing from FHLB

(a) Amount as of the reporting date

	Total	Funding Agreements Reserves Established
1. Current Year		
(a) Debt .....	\$ 70,000,000	XXX
(b) Funding agreements .....		\$
(c) Other .....		XXX
(d) Aggregate total (a+b+c) .....	\$ 70,000,000	\$
2. Prior Year-end		
(a) Debt .....	\$ 48,000,000	XXX
(b) Funding agreements .....		\$
(c) Other .....		XXX
(d) Aggregate total (a+b+c) .....	\$ 48,000,000	\$

(b) Maximum amount during reporting period (current year)

	Total
1. Debt .....	\$ 70,000,000
2. Funding agreements .....	
3. Other .....	
4. Aggregate total (Lines 1+2+3) .....	\$ 70,000,000

(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)

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) Change in benefit obligation

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, 2023 and 2022 for the Defined Benefit Plan, for the SERP and the Postretirement Benefit Plan:

## NOTES TO FINANCIAL STATEMENTS

### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

#### (a) Pension benefits

	Overfunded		Underfunded	
	2023	2022	2023	2022
1. Benefit obligation at beginning of year	\$	\$	\$ 3,163,478	\$ 4,381,099
2. Service cost				
3. Interest cost			154,359	116,884
4. Contribution by plan participants				
5. Actuarial (gain) loss			66,101	(1,219,962)
6. Foreign currency exchange rate changes				
7. Benefits paid			(102,647)	(114,543)
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	<u>\$</u>	<u>\$</u>	<u>\$ 3,281,291</u>	<u>\$ 3,163,478</u>

#### (b) Postretirement benefits

	Overfunded		Underfunded	
	2023	2022	2023	2022
1. Benefit obligation at beginning of year	\$	\$	\$ 8,323,940	\$ 12,881,976
2. Service cost				
3. Interest cost			380,217	289,243
4. Contribution by plan participants				
5. Actuarial (gain) loss			171,232	(4,058,707)
6. Foreign currency exchange rate changes				
7. Benefits paid			(739,491)	(788,572)
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	<u>\$</u>	<u>\$</u>	<u>\$ 8,135,898</u>	<u>\$ 8,323,940</u>

#### (2) Change in plan assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2023	2022	2023	2022	2023	2022
a. Fair value of plan assets at beginning of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Actual return on plan assets						
c. Foreign currency exchange rate changes						
d. Reporting entity contribution	102,647	114,543	739,491	788,572		
e. Plan participants' contributions						
f. Benefits paid	(102,647)	(114,543)	(739,491)	(788,572)		
g. Business combinations, divestitures and settlements						
h. Fair value of plan assets at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

#### (3) Funded status

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Components				
1. Prepaid benefit costs	\$	\$	\$	\$
2. Overfunded plan assets				
3. Accrued benefit costs	3,145,485	3,093,773	9,078,552	9,650,176
4. Liability for pension benefits	135,806	69,705	(942,654)	(1,326,236)
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	\$	\$	\$	\$
2. Liabilities recognized	3,281,291	3,163,478	8,135,898	8,323,940
c. Unrecognized liabilities	\$	\$	\$	\$

#### (4) Components of net periodic benefit cost

Net periodic benefit cost for 2023 and 2022 included the following components:

## NOTES TO FINANCIAL STATEMENTS

### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2023	2022	2023	2022	2023	2022
a. Service cost .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
b. Interest cost .....	154,359	116,884	380,217	289,243		
c. Expected return on plan assets .....						
d. Transition asset or obligation .....						
e. Gains and losses .....		26,366		249,760		
f. Prior service cost or credit .....			(212,350)	(212,350)		
g. Gain or loss recognized due to a settlement or curtailment .....						
<b>h. Total net periodic benefit cost .....</b>	<b>\$ 154,359</b>	<b>\$ 143,250</b>	<b>\$ 167,867</b>	<b>\$ 326,653</b>	<b>\$</b>	<b>\$</b>

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost - Not Applicable

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

(7) Weighted-average assumptions used to determine net periodic benefit cost

Weighted-average assumptions used to determine net periodic benefit cost as of period-end:	2023	2022
a. Weighted-average discount rate .....	4.980 %	2.710 %
b. Expected long-term rate of return on plan assets .....	%	%
c. Rate of compensation increase .....	%	%
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates) .....	%	%

Weighted-average assumptions used to determine projected benefit obligations as of period-end:	2023	2022
e. Weighted-average discount rate .....	4.780 %	4.980 %
f. Rate of compensation increase .....	%	%
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates) .....	%	%

(8) The accumulated benefit obligation for the SERP was \$3,281,291 and \$3,163,478 as of year ended 2023 and 2022 respectively

(9) The assumed annual rate of increase in the per capita cost of medical benefits is 6.50% in 2023 and is assumed to decrease through years 2030 and remain level at 5.18% through 2040.

(10) Estimated future payments, which reflect expected future service, as appropriate

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

Year	Amount
a. 2024 .....	\$ 1,018,000
b. 2025 .....	985,000
c. 2026 .....	951,000
d. 2027 .....	919,000
e. 2028 .....	913,000
f. 2029 through 2033 .....	4,042,000

(11) The Plan expects to contribute \$129,000 to its SERP and \$889,000 to its postretirement benefits in 2024.

(12) Amounts and types of securities of the reporting entity and related parties included in plan assets - Not Applicable

(13) Alternative method used to amortize prior service amounts or net gains and losses - Not Applicable

(14) Substantive commitments used as the basis for accounting for the benefit obligation - Not Applicable

(15) Special or contractual termination benefits recognized during the period - Not Applicable

(16) Significant changes in the benefit obligation or plan assets not otherwise disclosed - Not Applicable

(17)

## NOTES TO FINANCIAL STATEMENTS

### 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

Pension Plans with an accumulated benefit obligation in excess of plan asset:

	SERP		Postretirement	
	2023	2022	2023	2022
Projected benefit obligation	\$ 3,281,291	\$ 3,163,478	\$ 8,135,898	\$ 8,323,940
Accumulated benefit obligation	3,281,291	3,163,478	8,135,898	8,323,940
Fair value of plan assets	-	-	-	-

Pension Plans with plan asset in excess of accumulated benefit obligations:

	SERP		Postretirement	
	2023	2022	2023	2022
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) Remaining surplus impact during transition period after adoption of SSAP No. 92 and SSAP No. 102 - Not Applicable

**B. Investment Policies and Strategies of Plan Assets**

Not applicable the Plan does not hold any plan assets.

**C. Fair Value of Each Class of Plan Assets**

(1) Fair value measurements of plan assets at reporting date - Not Applicable

(2) Valuation technique(s) and inputs to measure fair value - Not Applicable

**D. Expected Long-Term Rate of Return for the Plan Assets**

The Plan does not hold any plan assets.

**E. Defined Contribution Plans**

Participant contributions to the Plan are derived from voluntary salary reduction agreements with the Employer that is subject to the Internal Revenue Service (IRS) compensation deferral limits. Participants who are at least age 50 before the end of the Plan year may make catch-up contributions equal to any whole number percentage of their eligible compensation or whole dollar amount. Participants may not contribute in excess of the maximum allowed by the Internal Revenue Code (IRC). Employer contributions to the Plan are in an amount equal to 100% of a participant's contributions up to 6% of a participant's eligible compensation.

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 2023 and 2022 were approximately \$5,356,823 and \$5,121,845, respectively.

**F. Multiemployer Plans - Not Applicable**

**G. Consolidated/Holding Company Plans - Not Applicable**

**H. Postemployment Benefits and Compensated Absences**

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, 2023 and 2022, respectively.

**I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - Not Applicable**

### 13. Capital and Surplus, 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. Stock Held for Special Purposes**

The Plan does not have any conversion of preferred stock, employee stock options and stock purchase warrants.

**I. Changes in Special Surplus Funds - Not Applicable**

**J. Unassigned Funds (Surplus)**

The portion of unassigned funds (surplus) represented was reduced by each of the following item:

a) Nonadmitted assets - \$89,121,238

## NOTES TO FINANCIAL STATEMENTS

### 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)

#### K. Company-Issued Surplus Debentures or Similar Obligations

The Plan does not have any surplus notes.

#### L. Impact of Any Restatement Due to Prior Quasi-Reorganizations

The Plan did not have any quasi-reorganization in 2023.

#### M. The Plan did not have any quasi-reorganization in 2023.

### 14. Liabilities, Contingencies and Assessments

#### 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 (one alleged by a class of subscribers, the other by a class of providers) 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 on the subscriber side of the case, which was paid in 2022. Multiple cases were later filed by plaintiffs who opted out of that subscriber settlement class, where the Plan is a co-defendant. The provider side of the case also is ongoing. While liability is presently difficult to estimate, it is management's belief that the outcome on the provider side of the case, and with respect to any current opt-out cases, 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.

(1) Commitments or contingent commitment(s) to an SCA entity, joint venture, partnership, or limited liability company - Not Applicable

(2) Nature and circumstances of guarantee - Not Applicable

(3) Aggregate compilation of guarantee obligations - Not Applicable

#### B. Assessments

The Plan does not have any assessments.

(1) Not Applicable

(2) Assets (Liabilities) recognized from paid and accrued premium tax offsets and policy surcharges - Not Applicable

(3) Guaranty fund liabilities and assets related to long-term care insolvencies - Not Applicable

#### C. Gain Contingencies

The Plan does not have any gain contingencies.

#### D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

The Plan did not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits.

#### E. Joint and Several Liabilities

The Plan did not have any Joint and Several liability arrangements.

#### F. All Other Contingencies

All other contingencies see "A" above.

### 15. Leases

#### A. Lessee Operating Lease

(1) Leasing arrangements

The Plan leases office space and ground lease under operating leases. Rent expense for operating leases in 2023 and 2022 was approximately \$620,959 and \$572,342, respectively.

(2) For leases having initial or remaining noncancelable lease terms in excess of one year

(a) Minimum aggregate rental commitments at year end

The Plan is committed, under long-term noncancelable operating leases and installment purchase agreements to minimum payments as follows:

Year Ending December 31	Operating Leases
1. 2024.....	\$ 870,452
2. 2025.....	877,620
3. 2026.....	880,523
4. 2027.....	805,154
5. 2028.....	748,693
6. Thereafter.....	.....
7. Total (sum of 1 through 6).....	<u>\$ 4,182,442</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.

(b) Sublease minimum rentals to be received - Not Applicable

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



## NOTES TO FINANCIAL STATEMENTS

### 15. Leases (Continued)

#### B. Lessor Leases

##### (1) Operating leases

- (a) The Plan has several lease agreements for the use of its Corporate Office. The total rental square footage leased is 88,800 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) Cost and carrying amount of leased property - Not Applicable
- (c) Future minimum lease payment receivables under non-cancelable leasing arrangements

Year Ending December 31	Operating Leases
1. 2024.....	\$ 3,103,368
2. 2025.....	3,022,529
3. 2026.....	2,743,068
4. 2027.....	1,717,299
5. 2028.....	1,573,315
6. Thereafter.....	891,940
7. Total (sum of 1 through 6).....	<u>\$ 13,051,519</u>

- (d) The Plan does not have contingent rentals.

##### (2) Leveraged leases

The Plan does not have leveraged leases.

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

#### 1. Face Amount of the Company's Financial Instruments with Off-Balance-Sheet Risk

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 \$35,958,000 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 \$171,719,777 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.

#### A. Transfers of Receivables Reported as Sales - Not Applicable

#### B. Transfer and Servicing of Financial Assets - Not Applicable

#### C. Wash Sales - Not Applicable

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

#### A. ASO Plans

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

#### B. ASC Plans

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 December 31, 2023:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 1,239,104,577	\$ -	\$ 1,239,104,577
b. Gross administrative fees accrued	87,621,064	-	87,621,064
c. Total revenue	<u>\$ 1,326,725,641</u>	<u>\$ -</u>	<u>\$ 1,326,725,641</u>
d. Claims incurred	1,239,104,577	-	1,239,104,577
e. Variable cost	25,209,270	-	25,209,270
f. Contribution to fixed overhead	<u>\$ 62,411,794</u>	<u>\$ -</u>	<u>\$ 62,411,794</u>
g. Total fixed overhead	58,821,629	-	58,821,629
h. Total net gain or (loss) from operations	<u>\$ 3,590,165</u>	<u>\$ -</u>	<u>\$ 3,590,165</u>

#### C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

The Plan has a Medicare or similarly structured cost based reimbursement contract during 2023 and 2022.

## NOTES TO FINANCIAL STATEMENTS

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

The Medicare Part D program is a partially insured plan. The Plan recorded a receivable in amounts receivable relating to uninsured plans in the statutory basis of admitted assets, liabilities, and capital and surplus of \$60,609,121 as of December 31, 2023 for cost reimbursement under the Medicare Part D program for 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

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

### 20. Fair Value Measurements

#### A. Fair Value Measurement

##### (1) Fair value measurements at reporting date

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.

The following table provides information as of December 31, 2023 about the Plan's financial assets and liabilities measured at fair value on a recurring basis.

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>a. Assets at fair value</b>					
Bonds	\$	433,368,717	\$	\$	\$ 433,368,717
Preferred stock-unaffiliated	21,128,948				21,128,948
Common stock-affiliated			10,226,793		10,226,793
Common stock-unaffiliated	100,785,912	3,261,400	30,742,064		134,789,376
<b>Total assets at fair value/NAV</b>	<b>\$ 121,914,860</b>	<b>\$ 436,630,117</b>	<b>\$ 40,968,857</b>	<b>\$</b>	<b>\$ 599,513,834</b>
<b>b. Liabilities at fair value</b>					
Line of Credit	\$	70,098,133	\$	\$	\$ 70,098,133
Mortgage Loan		40,965,886			40,965,886
<b>Total liabilities at fair value</b>	<b>\$</b>	<b>\$ 111,064,019</b>	<b>\$</b>	<b>\$</b>	<b>\$ 111,064,019</b>

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.

##### (2) Fair value measurements in Level 3 of the fair value hierarchy

The following table presents the changes in our equity securities classified as Level 3 for the year-ended December 31, 2023.

Description	Beginning balance as of 01/01/2023	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2023
<b>a. Assets</b>										
Common stock-affiliated	\$ -	\$	\$	\$	\$ 10,226,793	\$	\$	\$	\$	\$ 10,226,793
Common stock-unaffiliated	26,649,881				3,647,695	444,488				30,742,064
<b>Total assets</b>	<b>\$ 26,649,881</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 13,874,488</b>	<b>\$ 444,488</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 40,968,857</b>
<b>b. Liabilities</b>										
<b>Total liabilities</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

There were unrealized gains of \$13,874,488 for the period ending December 31, 2023.

##### (3) There were no transfers between levels as of December 31, 2023.

##### (4) 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.

##### (5) Derivatives - Not Applicable

#### B. Other Fair Value Disclosures - Not Applicable

## NOTES TO FINANCIAL STATEMENTS

### 20. Fair Value Measurements (Continued)

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

Type of Financial Instrument	Aggregate Fair Value			Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
	Value	Admitted Assets						
Bonds	\$ 433,368,717	\$ 462,559,415	\$	\$ 433,368,717	\$	\$	\$	\$
Preferred stock-unaffiliated	21,128,948	21,128,948	21,128,948					
Common stock-affiliated	10,226,793	10,226,793				10,226,793		
Common stock-unaffiliated	134,789,376	134,789,376	100,785,912	3,261,400	30,742,064			

#### D. Not Practicable to Estimate Fair Value - Not Applicable

#### E. Nature and Risk of Investments Reported at NAV - Not Applicable

### 21. Other Items

#### A. Unusual or Infrequent Items

The Plan does not have any extraordinary items.

#### B. Troubled Debt Restructuring

The Plan does not have any troubled debt restructuring.

#### C. Other Disclosures

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 \$11,971,871 as of December 31, 2023 and is included in other current assets and other current liabilities in the accompanying consolidated balance sheets.

FEP represented approximately 43.7% of accounts receivable and approximately 7.3% of net revenue as of and for the year ended December 31, 2023, 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.

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. Business Interruption Insurance Recoveries

The Plan did not have any business interruption insurance recoveries in 2023.

#### E. State Transferable and Non-Transferable Tax Credits

##### (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

Description of State Transferable and Non-transferable Tax Credits	State	Carrying Value	Unused Amount
Historic Investment Tax Credit	RI	\$ 1,640,000	\$ 2,000,000
Total		\$ 1,640,000	\$ 2,000,000

##### (2) Method of estimating utilization of remaining transferable and non-transferable state tax credits

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) Impairment loss

The Plan did not have any impairment losses for state transferable tax credits in 2023.

## NOTES TO FINANCIAL STATEMENTS

### 21. Other Items (Continued)

(4) State tax credits admitted and nonadmitted

	Total Admitted	Total Nonadmitted
a. Transferable.....	\$ 1,640,000	\$
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) Direct exposure through investments in subprime mortgage loans - Not Applicable
- (3) Direct exposure through other investments - Not Applicable
- (4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage - Not Applicable

G. Retained Assets - Not Applicable

H. Insurance-Linked Securities (ILS) Contracts

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

I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy

The Plan has not realized on life insurance policy.

### 22. Events Subsequent

Nonrecognized Subsequent Event:

There are no recognized or non-recognized events subsequent to December 31, 2023, that require recognition or disclosure.

### 23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?  
Yes ( ) No (X)
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?  
Yes ( ) No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?  
Yes ( ) No (X)
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?  
Yes ( ) No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ –
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?  
Yes ( ) No (X)

B. Uncollectible Reinsurance

The Plan did not experience a write-off for uncollectible reinsurance.

C. Commutation of Reinsurance Reflected in Income and Expenses

The Plan did not experience a commutation of ceded reinsurance.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

E. Reinsurance Credit - Not Applicable

## NOTES TO FINANCIAL STATEMENTS

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

#### A. Method Used to Estimate

The Plan estimates accrued retrospective premium adjustments for its group health insurance business based on the Plan's underwriting policies, experience rating practices and claims reserve calculation.

#### B. Method Used to Record

The Plan records accrued retrospective premium as an adjustment to earned premium.

#### C. Amount and Percent of Net Retrospective Premiums

The amount of net premiums written by the Plan at December 31, 2023 that are subject to retrospective rating features was \$10,202,492, that represented 0.50% 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

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

#### 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.

The plan has accident and health insurance premiums for CY 2023 subject to the risk sharing provisions of ACA.

#### (1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?  
YES

## NOTES TO FINANCIAL STATEMENTS

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year

	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to the ACA risk adjustment (including high-risk pool payments).....	\$..... 11,930,000
Liabilities	
2. Risk adjustment user fees payable for ACA risk adjustment.....	\$..... 148,845
3. Premium adjustments payable due to ACA risk adjustment (including high-risk pool premium).....	.....
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA risk adjustment.....	\$..... 20,300,910
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid).....	..... 151,785
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA reinsurance.....	\$..... 16,534,280
2. Amounts recoverable for claims unpaid due to ACA reinsurance (contra liability).....	..... 267,510
3. Amounts receivable relating to uninsured plans for contributions for ACA reinsurance.....	.....
Liabilities	
4. Liabilities for contributions payable due to ACA reinsurance – not reported as ceded premium.....	\$.....
5. Ceded reinsurance premiums payable due to ACA reinsurance.....	.....
6. Liabilities for amounts held under uninsured plans contributions for ACA reinsurance.....	.....
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA reinsurance.....	\$.....
8. Reinsurance recoveries (income statement) due to ACA reinsurance payments or expected payments.....	..... 9,516,291
9. ACA reinsurance contributions - not reported as ceded premium.....	.....
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA risk corridors liabilities.....	\$.....
2. Reserve for rate credits or policy experience rating refunds due to ACA risk corridors.....	.....
Operations (Revenue & Expense)	
3. Effect of ACA risk corridors on net premium income (paid/received).....	\$.....
4. Effect of ACA risk corridors on change in reserves for rate credits.....	.....

## NOTES TO FINANCIAL STATEMENTS

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)

(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

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
					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 2-4+8)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
<b>a. Permanent ACA Risk Adjustment Program</b>											
1. Premium adjustments receivable (including high risk pool payments).....											
	\$ 6,343,000	\$	\$ 11,406,547	\$	\$ (5,063,547)	\$	\$ 5,063,547	\$	A	\$ -	\$
2. Premium adjustments (payable) (including high risk pool premium).....											
		(7,961,988)		(7,964,928)		2,940		(2,940)	B		-
3. Subtotal ACA Permanent Risk Adjustment Program.....											
	\$ 6,343,000	\$ (7,961,988)	\$ 11,406,547	\$ (7,964,928)	\$ (5,063,547)	\$ 2,940	\$ 5,063,547	\$ (2,940)		\$ -	\$ -
<b>b. Transitional ACA Reinsurance Program</b>											
1. Amounts recoverable for claims paid.....											
	\$ 18,372,565	\$	\$ 11,087,065	\$	\$ 7,285,500	\$	\$	\$	C	\$ 7,285,500	\$
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 premium.....											
									F		
5. Ceded reinsurance premiums payable.....											
									G		
6. Liability for amounts held under uninsured plans.....											
									H		
7. Subtotal ACA Transitional Reinsurance Program.....											
	\$ 18,372,565	\$	\$ 11,087,065	\$	\$ 7,285,500	\$	\$	\$		\$ 7,285,500	\$
<b>c. Temporary ACA Risk Corridors Program</b>											
1. Accrued retrospective premium.....											
	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. Reserve for rate credits or policy experience rating refunds.....											
									J		
3. Subtotal ACA Risk Corridors Program.....											
	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
<b>d. Total for ACA risk sharing provisions</b>											
	\$ 24,715,565	\$ (7,961,988)	\$ 22,493,612	\$ (7,964,928)	\$ 2,221,953	\$ 2,940	\$ 5,063,547	\$ (2,940)		\$ 7,285,500	\$ -

**Explanations of Adjustments**

- A: Risk Adjustment updated based on HHS Notification
- B: Risk Adjustment updated based on HHS Notification
- C: None
- D: None
- E: None
- F: None
- G: None
- H: None
- I: None
- J: None

(4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable

(5) ACA risk corridors receivable as of reporting date

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

## NOTES TO FINANCIAL STATEMENTS

### 25. Change in Incurred Claims and Claim Adjustment Expenses

#### A. Reasons for Changes in the Provision for Incurred Claim and Claim Adjustment Expenses Attributable to Insured Events of Prior Years

Reserves as of December 31, 2022, were \$167,566,000 and as of December 31, 2023, \$142,429,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$4,498,000 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 \$20,639,000 favorable prior-year development since December 31, 2022, to December 31, 2023. The decrease 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.

#### B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Claims and Claim Adjustment Expenses - Not Applicable

### 26. Intercompany Pooling Arrangements

The Plan is not part of any intercompany pooling arrangement.

### 27. Structured Settlements - Not Applicable

### 28. Health Care Receivables

#### A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2023	\$ 48,909,138	\$	\$	\$	\$
09/30/2023	44,788,958	48,842,797	43,517,650		
06/30/2023	41,172,120	45,269,785	41,537,969		
03/31/2023	38,084,117	40,581,919	37,068,877		3,255,012
12/31/2022	37,110,096	35,907,819	34,073,475		2,605,157
09/30/2022	36,568,718	36,227,151	33,759,645		2,467,505
06/30/2022	32,874,159	35,615,199	32,751,382		2,863,816
03/31/2022	31,636,681	33,246,710	29,654,008		3,592,701
12/31/2021	31,336,332	31,742,302	28,849,647		2,926,868
09/30/2021	29,538,173	30,925,842	28,281,638		2,644,204
06/30/2021	24,986,123	31,139,343	28,447,671		2,691,672
03/31/2021	27,188,744	23,554,210	21,491,545		2,062,664

#### B. Risk-Sharing Receivables - Not Applicable

### 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 \$39,400,000 and \$30,400,000 for the periods ended December 31, 2023 and December 31, 2022, respectively. The PDR related to the Commercial, Medicare Supplement and Medicare Advantage lines of business for the period ended December 31, 2023. The PDR related to the Commercial line of business for the period ended December 31, 2022.

1. Liability carried for premium deficiency reserves:	\$39,400,000
2. Date of the most recent evaluation of this liability:	12/31/2023
3. Was anticipated investment income utilized in the calculation?	YES

### 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, 2023 and 2022, was \$17,135,000 and \$14,012,000, 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 depository institution holding company? 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 [X] No [ ] N/A [ ]

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 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	\$ _____ 13,255,007
22.22 Amount paid as expenses	\$ _____
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	\$ <u>57,582</u>
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	\$ <u>3,261,400</u>
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	\$ <u>35,958,000</u>
26.31	Pledged as collateral to FHLB - including assets backing funding agreements	\$ <u>171,821,623</u>
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]

## GENERAL INTERROGATORIES

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 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 COMPANY	601 RIVERSIDE AVENUE, JACKSONVILLE, FL 32204

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

## GENERAL INTERROGATORIES

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

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 Name Firm or Individual	2 Central Registration Depository Number	3 Legal Entity Identifier (LEI)	4 Registered With	5 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 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
024071-81-3	AMERICAN FUNDS BAL R6	19,185
649280-81-5	AMERICAN FUNDS NWLD R6	25,606
256219-10-6	DODGE & COX STCK I	26,385
315911-75-0	FIDELITY 500 INDEX FUND	679,165
315911-72-7	FIDELITY INTERNATIONAL IX	3,791
316146-35-6	FIDELITY US BOND INDEX	203,386
41665H-78-9	HARTFD:SCHR EM E SDR	8,720,857
57630E-87-5	MASSMUTUAL S:BL CH I	3,326
57630E-57-8	MASSMUTUAL S:ST BD I	81,954
57630G-49-0	MASSMUTUAL S:TRP 20 I	23,393
57630G-45-8	MASSMUTUAL S:TRP 25 I	353,654
57630G-41-7	MASSMUTUAL S:TRP 30 I	31,993
57630G-36-7	MASSMUTUAL S:TRP 35 I	13,468
57630G-32-6	MASSMUTUAL S:TRP 40 I	16,939
57630G-27-6	MASSMUTUAL S:TRP 45 I	225,908
552966-80-6	MFS INTERNATIONAL EQT R6	23,684,176
704329-24-2	PAYDEN:EM MKT BD SI	6,394,935
779562-20-6	T ROWE PRICE NH I	112,038
922908-83-5	VANGUARD MD-CP I INST	178,887
921908-87-7	VANGUARD RE IDX ADM	120,830
922908-87-6	VANGUARD S-C ID INST	186,297
969251-71-9	WM BLAIR:INTL LDRS I	133,607
30.2999 TOTAL		41,239,780



## GENERAL INTERROGATORIES

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	19,185	12/31/2023
AMERICAN FUNDS BAL R6	Broadcom Inc	19,185	12/31/2023
AMERICAN FUNDS BAL R6	UnitedHealth Group Inc	19,185	12/31/2023
AMERICAN FUNDS BAL R6	Philip Morris International Inc	19,185	12/31/2023
AMERICAN FUNDS BAL R6	The Home Depot Inc	19,185	12/31/2023
AMERICAN FUNDS NWLD R6	Microsoft Corp	25,606	12/31/2023
AMERICAN FUNDS NWLD R6	Novo Nordisk A/S Class B	25,606	12/31/2023
AMERICAN FUNDS NWLD R6	Taiwan Semiconductor Manufacturing Co	25,606	12/31/2023
AMERICAN FUNDS NWLD R6	Airbus SE	25,606	12/31/2023
AMERICAN FUNDS NWLD R6	MercadoLibre Inc	25,606	12/31/2023
DODGE & COX STCK I	Wells Fargo & Co	26,385	12/31/2023
DODGE & COX STCK I	Charles Schwab Corp	26,385	12/31/2023
DODGE & COX STCK I	Occidental Petroleum Corp	26,385	12/31/2023
DODGE & COX STCK I	Fiserv Inc	26,385	12/31/2023
DODGE & COX STCK I	Sanofi SA ADR	26,385	12/31/2023
FIDELITY 500 INDEX FUND	Microsoft Corp	679,165	12/31/2023
FIDELITY 500 INDEX FUND	Apple Inc	679,165	12/31/2023
FIDELITY 500 INDEX FUND	Amazon.com Inc	679,165	12/31/2023
FIDELITY 500 INDEX FUND	NVIDIA Corp	679,165	12/31/2023
FIDELITY 500 INDEX FUND	Alphabet Inc Class A	679,165	12/31/2023
FIDELITY INTERNATIONL IX	Novo Nordisk A/S	3,791	12/31/2023
FIDELITY INTERNATIONL IX	Nestle SA	3,791	12/31/2023
FIDELITY INTERNATIONL IX	ASML Holding NV	3,791	12/31/2023
FIDELITY INTERNATIONL IX	Shell PLC	3,791	12/31/2023
FIDELITY INTERNATIONL IX	Lvmh Moet Hennessy Louis Vuitton SE	3,791	12/31/2023
FIDELITY US BOND INDEX	United States Treasury Notes 2.75%	203,386	12/31/2023
FIDELITY US BOND INDEX	United States Treasury Notes 1.5%	203,386	12/31/2023
FIDELITY US BOND INDEX	United States Treasury Notes 2.625%	203,386	12/31/2023
FIDELITY US BOND INDEX	Federal Home Loan Mortgage Corporatio	203,386	12/31/2023
FIDELITY US BOND INDEX	United States Treasury Notes 3%	203,386	12/31/2023
HARTFD:SCHR EM E SDR	Taiwan Semiconductor Manufacturing Co	8,720,857	12/31/2023
HARTFD:SCHR EM E SDR	Samsung Electronics Co Ltd	8,720,857	12/31/2023
HARTFD:SCHR EM E SDR	Tencent Holdings Ltd	8,720,857	12/31/2023
HARTFD:SCHR EM E SDR	Alibaba Group Holding Ltd Ordinary Shar	8,720,857	12/31/2023
HARTFD:SCHR EM E SDR	SK Hynix Inc	8,720,857	12/31/2023
MASSMUTUAL S:BL CH I	Microsoft Corp	3,326	12/31/2023
MASSMUTUAL S:BL CH I	Amazon.com Inc	3,326	12/31/2023
MASSMUTUAL S:BL CH I	NVIDIA Corp	3,326	12/31/2023
MASSMUTUAL S:BL CH I	Meta Platforms Inc Class A	3,326	12/31/2023
MASSMUTUAL S:BL CH I	Apple Inc	3,326	12/31/2023
MASSMUTUAL S:ST BD I	Us 5yr Note (Cbt) Mar24 Xcvt 20240328	81,954	12/31/2023
MASSMUTUAL S:ST BD I	Bws099549 Irs Usd R V 00mfedl 1 Ccpoi	81,954	12/31/2023
MASSMUTUAL S:ST BD I	Sws101725 Cds Usd R F 1.00000 2 Ccp	81,954	12/31/2023
MASSMUTUAL S:ST BD I	3 Month Sofr Fut Dec25 Xcme 20260317	81,954	12/31/2023
MASSMUTUAL S:ST BD I	Us Long Bond(Cbt) Mar24 Xcvt 2024031	81,954	12/31/2023
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Large Cap Blen	23,393	12/31/2023
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Bond Asset I	23,393	12/31/2023
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Intl Equity I	23,393	12/31/2023
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Ltd Dur Infl Foc	23,393	12/31/2023
MASSMUTUAL S:TRP 20 I	MassMutual Select TRP Sm&Mid Cap Bl	23,393	12/31/2023
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Large Cap Blen	353,654	12/31/2023
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Bond Asset I	353,654	12/31/2023
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Intl Equity I	353,654	12/31/2023
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Ltd Dur Infl Foc	353,654	12/31/2023
MASSMUTUAL S:TRP 25 I	MassMutual Select TRP Sm&Mid Cap Bl	353,654	12/31/2023
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Large Cap Blen	31,993	12/31/2023
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Intl Equity I	31,993	12/31/2023
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Bond Asset I	31,993	12/31/2023
MASSMUTUAL S:TRP 30 I	MassMutual Select TRP Sm&Mid Cap Bl	31,993	12/31/2023
MASSMUTUAL S:TRP 30 I	MM S&P 500® Index I	31,993	12/31/2023
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Large Cap Blen	13,468	12/31/2023
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Intl Equity I	13,468	12/31/2023

## 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
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Sm&Mid Cap Bl	13,468	12/31/2023
MASSMUTUAL S:TRP 35 I	MassMutual Select TRP Bond Asset I	13,468	12/31/2023
MASSMUTUAL S:TRP 35 I	MM S&P 500® Index I	13,468	12/31/2023
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Large Cap Blen	16,939	12/31/2023
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Intl Equity I	16,939	12/31/2023
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Sm&Mid Cap Bl	16,939	12/31/2023
MASSMUTUAL S:TRP 40 I	MM S&P 500® Index I	16,939	12/31/2023
MASSMUTUAL S:TRP 40 I	MassMutual Select TRP Real Asset I	16,939	12/31/2023
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Large Cap Blen	225,908	12/31/2023
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Intl Equity I	225,908	12/31/2023
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Sm&Mid Cap Bl	225,908	12/31/2023
MASSMUTUAL S:TRP 45 I	MM S&P 500® Index I	225,908	12/31/2023
MASSMUTUAL S:TRP 45 I	MassMutual Select TRP Real Asset I	225,908	12/31/2023
MFS INTERNATIONAL EQT R6	Air Liquide SA	23,684,176	12/31/2023
MFS INTERNATIONAL EQT R6	Nestle SA	23,684,176	12/31/2023
MFS INTERNATIONAL EQT R6	Schneider Electric SE	23,684,176	12/31/2023
MFS INTERNATIONAL EQT R6	SAP SE	23,684,176	12/31/2023
MFS INTERNATIONAL EQT R6	Roche Holding AG	23,684,176	12/31/2023
PAYDEN:EM MKT BD SI	2 Year Treasury Note Future Mar 24	6,394,935	12/31/2023
PAYDEN:EM MKT BD SI	5 Year Treasury Note Future Mar 24	6,394,935	12/31/2023
PAYDEN:EM MKT BD SI	Payden Cash Reserves Money Market	6,394,935	12/31/2023
PAYDEN:EM MKT BD SI	Petrobras Global Finance B.V. 6.25%	6,394,935	12/31/2023
PAYDEN:EM MKT BD SI	Grupo Axo SAPI de CV 5.75%	6,394,935	12/31/2023
T ROWE PRICE NH I	Aggregate Miscellaneous Equity	112,038	12/31/2023
T ROWE PRICE NH I	T. Rowe Price Gov. Reserve	112,038	12/31/2023
T ROWE PRICE NH I	Entegris Inc	112,038	12/31/2023
T ROWE PRICE NH I	Ceridian HCM Holding INC	112,038	12/31/2023
T ROWE PRICE NH I	Teledyne Technologies Inc	112,038	12/31/2023
VANGUARD MD-CP I INST	Amphenol Corp Class A	178,887	12/31/2023
VANGUARD MD-CP I INST	Arista Networks Inc	178,887	12/31/2023
VANGUARD MD-CP I INST	TransDigm Group Inc	178,887	12/31/2023
VANGUARD MD-CP I INST	Cintas Corp	178,887	12/31/2023
VANGUARD MD-CP I INST	Motorola Solutions Inc	178,887	12/31/2023
VANGUARD RE IDX ADM	Prologis Inc	120,830	12/31/2023
VANGUARD RE IDX ADM	American Tower Corp	120,830	12/31/2023
VANGUARD RE IDX ADM	Equinix Inc	120,830	12/31/2023
VANGUARD RE IDX ADM	Crown Castle Inc	120,830	12/31/2023
VANGUARD RE IDX ADM	Public Storage	120,830	12/31/2023
VANGUARD S-C ID INST	Builders FirstSource Inc	186,297	12/31/2023
VANGUARD S-C ID INST	PTC Inc	186,297	12/31/2023
VANGUARD S-C ID INST	Targa Resources Corp	186,297	12/31/2023
VANGUARD S-C ID INST	Axon Enterprise Inc	186,297	12/31/2023
VANGUARD S-C ID INST	Entegris Inc	186,297	12/31/2023
WM BLAIR:INTL LDRS I	Taiwan Semiconductor Manufacturing Co	133,607	12/31/2023
WM BLAIR:INTL LDRS I	ASML Holding NV	133,607	12/31/2023
WM BLAIR:INTL LDRS I	Novo Nordisk A/S Class B	133,607	12/31/2023
WM BLAIR:INTL LDRS I	Shin-Etsu Chemical Co Ltd	133,607	12/31/2023
WM BLAIR:INTL LDRS I	Reliance Industries Ltd	133,607	12/31/2023

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	462,559,415	433,368,736	(29,190,679)
31.2 Preferred stocks	21,128,948	21,128,948	
31.3 Totals	483,688,363	454,497,684	(29,190,679)

## GENERAL INTERROGATORIES

- 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  
 INCLUDES IDC, ICE, S&P GLOBAL, JPM PRICING, 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
- 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
- 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
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
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  N/A
- 38.1 Does the reporting entity directly hold cryptocurrencies? Yes  No
- 38.2 If the response to 38.1 is yes, on what schedule are they reported? \_\_\_\_\_

## GENERAL INTERROGATORIES

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [ ] No [X]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?  
 39.21 Held directly Yes [ ] No [X]

39.22 Immediately converted to U.S. dollars Yes [ ] No [X]

39.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1 Name of Cryptocurrency	2 Immediately Converted to USD, Directly Held, or Both	3 Accepted for Payment of Premiums

40.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 1,833,772

40.2 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
STATE OF RHODE ISLAND	\$ 80,361
	\$
	\$

41.1 Amount of payments for legal expenses, if any? \$ 2,030,254

41.2 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	\$ 1,413,597
	\$
	\$

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 3,331,755

42.2 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	\$ 3,136,242
	\$
	\$

## GENERAL INTERROGATORIES PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ X ] No [ ]
- 1.2 If yes, indicate premium earned on U.S. business only. \$ 57,618,006
- 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. \$ 51,397,684
- 1.6 Individual policies:
- Most current three years:
- |                              |                     |
|------------------------------|---------------------|
| 1.61 Total premium earned    | \$ <u>1,207,006</u> |
| 1.62 Total incurred claims   | \$ <u>1,079,146</u> |
| 1.63 Number of covered lives | <u>446</u>          |
- All years prior to most current three years:
- |                              |                      |
|------------------------------|----------------------|
| 1.64 Total premium earned    | \$ <u>40,446,834</u> |
| 1.65 Total incurred claims   | \$ <u>36,162,262</u> |
| 1.66 Number of covered lives | <u>14,966</u>        |
- 1.7 Group policies:
- Most current three years:
- |                              |                  |
|------------------------------|------------------|
| 1.71 Total premium earned    | \$ <u>95,329</u> |
| 1.72 Total incurred claims   | \$ <u>84,534</u> |
| 1.73 Number of covered lives | <u>906</u>       |
- All years prior to most current three years:
- |                              |                      |
|------------------------------|----------------------|
| 1.74 Total premium earned    | \$ <u>15,868,836</u> |
| 1.75 Total incurred claims   | \$ <u>14,071,742</u> |
| 1.76 Number of covered lives | <u>5,468</u>         |

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	\$ <u>2,049,694,139</u>	\$ <u>1,879,553,710</u>
2.2 Premium Denominator	\$ <u>2,049,694,139</u>	\$ <u>1,879,553,710</u>
2.3 Premium Ratio (2.1 / 2.2)	<u>1.000</u>	<u>1.000</u>
2.4 Reserve Numerator	\$ <u>321,685,614</u>	\$ <u>269,069,732</u>
2.5 Reserve Denominator	\$ <u>321,685,613</u>	\$ <u>269,069,731</u>
2.6 Reserve Ratio (2.4 / 2.5)	<u>1.000</u>	<u>1.000</u>

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [ ] No [ X ]
- 3.2 If yes, give particulars:  
.....  
.....  
.....
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [ X ] No [ ]
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [ X ]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [ X ] No [ ]
- 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:

THE PLAN ESTABLISHES RATES CONSISTENT WITH THE PROPER CONDUCT OF ITS BUSINESS WITH THE INTEREST OF THE PUBLIC. THE PLAN IS TO MAINTAIN SURPLUS IN EXCESS OF 200% OF THE RISK BASED CAPITAL AUTHORIZED CONTROL LEVEL THAT AMOUNTED TO \$133,965,612 AS A RESULT NO REGULATORY ACTION WAS TRIGGERED. 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	4,237
8.2 Number of providers at end of reporting year	4,317

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:

.....

.....

.....

11.4 If yes, show the amount required. \$ \_\_\_\_\_

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:

.....

.....

.....

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

1 Name of Service Area		
Rhode Island		
.....		
.....		

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
	2023	2022	2021	2020	2019
<b>Balance Sheet (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 28)	1,025,794,353	922,703,337	924,260,302	862,104,146	750,982,227
2. Total liabilities (Page 3, Line 24)	586,245,856	513,748,754	489,567,441	446,289,912	379,398,458
3. Statutory minimum capital and surplus requirement	133,965,612	155,382,795	148,856,753	141,627,515	139,107,691
4. Total capital and surplus (Page 3, Line 33)	439,548,497	408,954,583	434,692,861	415,814,234	371,583,769
<b>Income Statement (Page 4)</b>					
5. Total revenues (Line 8)	2,045,132,082	1,883,598,404	1,795,520,104	1,707,243,198	1,698,166,372
6. Total medical and hospital expenses (Line 18)	1,825,926,990	1,631,116,035	1,542,709,739	1,403,371,707	1,435,930,820
7. Claims adjustment expenses (Line 20)	63,506,822	59,630,823	58,743,347	58,190,620	56,563,135
8. Total administrative expenses (Line 21)	172,654,392	181,846,685	183,427,950	207,567,850	170,198,332
9. Net underwriting gain (loss) (Line 24)	(25,956,122)	19,004,861	9,239,068	7,713,021	28,874,085
10. Net investment gain (loss) (Line 27)	9,516,964	7,258,198	17,509,110	7,857,917	21,129,753
11. Total other income (Lines 28 plus 29)	17,040,901	(5,219,669)	(13,580,656)	(9,407,830)	(17,428,226)
12. Net income or (loss) (Line 32)	601,743	21,043,390	13,167,522	42,421,212	68,833,715
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11)	41,859,713	(67,103,723)	24,572,232	118,444,567	115,715,425
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital	439,548,497	408,954,583	434,692,861	415,814,234	371,583,769
15. Authorized control level risk-based capital	66,982,806	64,201,018	63,315,995	58,616,377	58,232,394
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7)	388,506	385,941	384,423	383,138	383,534
17. Total members months (Column 6, Line 7)	4,251,422	4,607,876	4,632,706	4,615,572	4,615,952
<b>Operating Percentage (Page 4)</b> (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)	89.3	86.6	85.9	82.2	84.6
20. Cost containment expenses	1.6	1.5	1.6	1.5	1.5
21. Other claims adjustment expenses	1.7	1.6	1.7	1.9	1.9
22. Total underwriting deductions (Line 23)	101.3	99.0	99.5	99.5	98.3
23. Total underwriting gain (loss) (Line 24)	(1.3)	1.0	0.5	0.5	1.7
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	104,862,546	148,214,411	124,937,641	129,180,624	101,558,671
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	136,417,315	147,411,278	143,577,383	135,665,500	130,533,385
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
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	10,226,793		2,531,710	3,531,202	1,954,193
32. Total of above Lines 26 to 31	10,226,793		2,531,710	3,531,202	1,954,193
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	Active Status (a)	Direct Business Only								
			2	3	4	5	6	7	8	9	10
			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	1,001,278.73	899,638,772			150,106,575			2,051,024,078	
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	1,001,278.73	899,638,772			150,106,575			2,051,024,078	
60. Reporting entity contributions for Employee Benefit Plans		X X X	4,133	957,734						961,867	
61. Totals (Direct Business)		X X X	1,001,282.86	900,596,506			150,106,575			2,051,985,945	

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										
5899	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X									

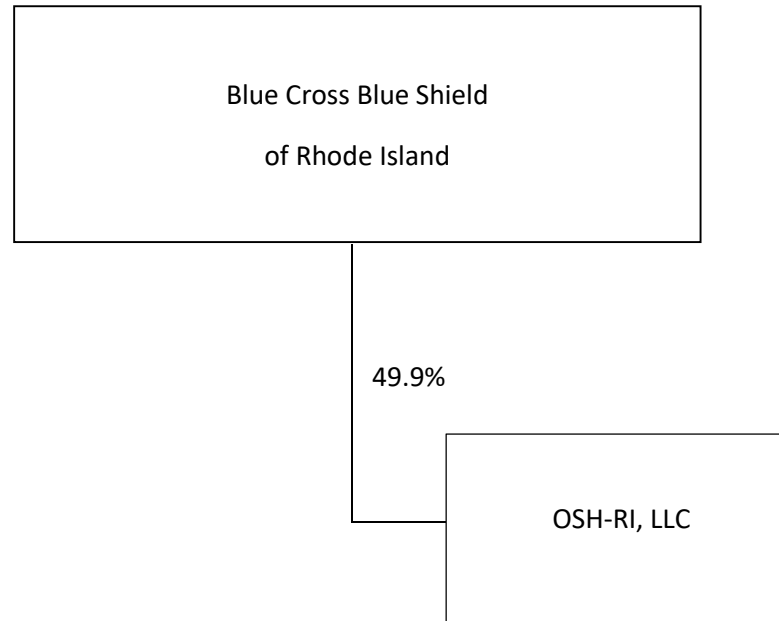
NONE

- (a) Active Status Counts
- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 1
  - 2. R - Registered - Non-domiciled RRGs \_\_\_\_\_
  - 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state \_\_\_\_\_
  - 4. Q - Qualified - Qualified or accredited reinsurer \_\_\_\_\_
  - 5. N - None of the above - Not allowed to write business in the state or none of the above codes apply 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
<b>REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS</b>	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. LEASEHOLD IMPROVEMENTS	2,590,359	2,590,359		
2505. HISTORICAL TAX CREDITS	1,640,000		1,640,000	2,460,000
2506. LOAN & INTEREST RECEIVABLE	245,339	245,339		
2507. COLLATERAL FUND HOME & HOST	212,777		212,777	198,566
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	4,688,475	2,835,698	1,852,777	2,658,566

**OVERFLOW PAGE FOR WRITE-INS**

**Page 3 - Continuation**

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
<b>WRITE-INS AGGREGATED AT LINE 23 FOR OTHER LIABILITIES</b>				
2304. UNFUNDED ACCUMULATED BENEFIT OBLIGATION	(806,848)		(806,848)	(1,256,531)
2397. Totals (Lines 2304 through 2396) (Page 3, Line 23)	(806,848)		(806,848)	(1,256,531)

**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. INDIGO COMMISSIONS		12,907	14,399
2905. INTEREST EXPENSE IRS		(174,225)	(120,687)
2906. HEALTH INFORMATION EXCHANGE		(1,086,504)	(1,098,132)
2907. BANK SERVICE CHARGES		(1,287,923)	(422,496)
2908. OTHER EXPENSE - SETTLEMENT COSTS		(1,535,186)	
2997. Totals (Lines 2901 through 2996) (Page 4, Line 2998)		(4,070,931)	(1,626,916)

**OVERFLOW PAGE FOR WRITE-INS**

**Page 13 - Continuation**

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1	Comprehensive (Hospital & Medical)		4	5	6	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
<b>WRITE-INS AGGREGATED AT LINE 05 FOR UNDERWRITING AND INVESTMENT EXHIBIT</b>	Total			Medicare Supplement	Vision Only	Dental Only							
0597. Totals (Lines 0501 through 0596) (Page 13, Line 0598)													
	1	Comprehensive (Hospital & Medical)		4	5	6	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
<b>WRITE-INS AGGREGATED AT LINE 11 FOR UNDERWRITING AND INVESTMENT EXHIBIT</b>	Total			Medicare Supplement	Vision Only	Dental Only							
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			
<b>WRITE-INS AGGREGATED AT LINE 25 FOR UNDERWRITING AND INVESTMENT EXHIBIT</b>	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504. MISCELLANEOUS	5,502	29,066	424,625		459,193
2505. CLAIMS HANDLING EXPENSE		(40,100)			(40,100)
2506. BLUECARD ADMIN FEE INCOME	(2,937,217)	(3,269,570)			(6,206,787)
2597. Totals (Lines 2501 through 2596) (Page 14, Line 2598)	(2,931,715)	(3,280,604)	424,625		(5,787,694)

**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. LOAN & INTEREST RECEIVABLE .....	245,339	245,339	
2505. FEP UNPAID CLAIMS .....			
2506. HISTORICAL TAX CREDITS .....			
2507. COLLATERAL FUND HOME & HOST .....			
2597. Totals (Lines 2504 through 2596) (Page 16, Line 2598)	245,339	245,339	



**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	
<b>WRITE-INS AGGREGATED AT LINE 06 FOR EXHIBIT 1</b>						
0604. VISION ONLY	19,715	20,084	20,348	20,171	20,026	222,130
0605. MEDICARE PRESCRIPTION DRUG PLAN	9,473	9,168	9,096	9,043	8,989	100,144
0697. Totals (Lines 0601 through 0697) (Page 17, Line 06)	29,188	29,252	29,444	29,214	29,015	322,274