



ANNUAL STATEMENT

For the Year Ended December 31, 2015
of the Condition and Affairs of the

QualChoice Advantage Inc

NAIC Group Code.....4807, 4809 (Current Period) (Prior Period) NAIC Company Code..... 15751 Employer's ID Number..... 47-3433912

Organized under the Laws of AR State of Domicile or Port of Entry AR Country of Domicile US

Licensed as Business Type.....Health Maintenance Organization Is HMO Federally Qualified? Yes [X] No []

Incorporated/Organized..... March 20, 2015 Commenced Business..... January 1, 2016

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

Main Administrative Office 12615 Chenal Parkway, Suite 300..... Little Rock AR US 72211 844-822-7838
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 32129 Weyerhaeuser Way S, Suite 201..... Federal Way WA US 98001
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 32129 Weyerhaeuser Way S, Suite 201..... Federal Way WA US 98001 253-517-4300
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.QualChoiceAdvantage.com

Statutory Statement Contact Thuy Le 253-517-4340
(Name) (Area Code) (Telephone Number) (Extension)
thuy.le@prominencehealth.com 253-517-4385
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Michael Edward Stock #	President	2. Steven Charles Schramm #	Chief Financial Officer
3.		4.	

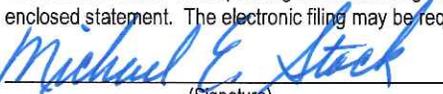
OTHER

DIRECTORS OR TRUSTEES

Charles William Hanson # Jennifer Jean Boeff # Mark Fred Bjornson # Christine Catherine Mulheran #

State of.....
County of.....

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

 (Signature)	 (Signature)	 (Signature)
Michael Edward Stock	Steven Charles Schramm	
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Chief Financial Officer	
(Title)	(Title)	(Title)

Subscribed and sworn to before me This 25th day of February 2016

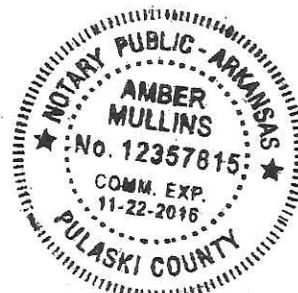
a. Is this an original filing? Yes [X] No []

b. If no

1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____





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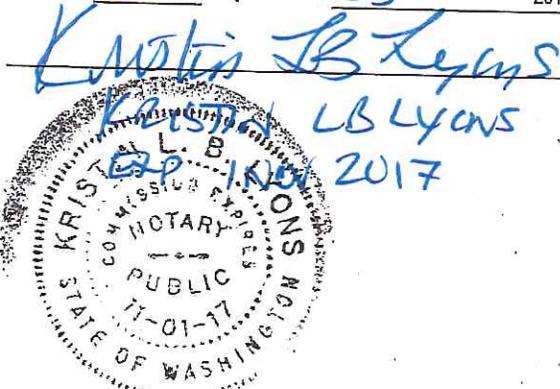
State of..... WA
County of..... KING

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Michael Edward Stock	(Signature)	(Signature)
1. (Printed Name)	Steven Charles Schramm	3. (Printed Name)
President	2. (Printed Name)	Chief Financial Officer
(Title)	(Title)	(Title)

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This 25th day of Feb 2016

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_____ (Title)	_____ (Title)	_____ (Title)

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ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	3,488,964		3,488,964	
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....18,273, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	18,273		18,273	
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	3,507,237	.0	3,507,237	.0
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	6,519		6,519	
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			.0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			.0	
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....			.0	
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....			.0	
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	.0	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	3,513,756	.0	3,513,756	.0
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTALS (Lines 26 and 27).....	3,513,756	.0	3,513,756	.0

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501.....			.0	
2502.....			.0	
2503.....			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.0	.0	.0	.0

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....			0	
2. Accrued medical incentive pool and bonus amounts.....			0	
3. Unpaid claims adjustment expenses.....			0	
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....			0	
5. Aggregate life policy reserves.....			0	
6. Property/casualty unearned premium reserve.....			0	
7. Aggregate health claim reserves.....			0	
8. Premiums received in advance.....			0	
9. General expenses due or accrued.....			0	
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....3,960 on realized capital gains (losses)).....	3,960		3,960	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....			0	
13. Remittances and items not allocated.....			0	
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....			0	
15. Amounts due to parent, subsidiaries and affiliates.....	1,200		1,200	
16. Derivatives.....			0	
17. Payable for securities.....			0	
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized and \$.....0 certified reinsurers).....			0	
20. Reinsurance in unauthorized and certified (\$.....0) companies.....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates.....			0	
22. Liability for amounts held under uninsured plans.....			0	
23. Aggregate write-ins for other liabilities (including \$.....0 current).....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	5,160	0	5,160	0
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX		
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	3,500,000	
29. Surplus notes.....	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	8,596	
32. Less treasury stock at cost:				
32.10.000 shares common (value included in Line 26 \$.....0).....	XXX	XXX		
32.20.000 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	3,508,596	0
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	3,513,756	0

DETAILS OF WRITE-INS

2301.			0	
2302.			0	
2303.			0	
2398. Summary of remaining write-ins for Line 23 from overflow page.....	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above).....	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX		
2. Net premium income (including \$.....0 non-health premium income).....	XXX		
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		
4. Fee-for-service (net of \$.....0 medical expenses).....	XXX		
5. Risk revenue.....	XXX		
6. Aggregate write-ins for other health care related revenues.....	XXX	.0	.0
7. Aggregate write-ins for other non-health revenues.....	XXX	.0	.0
8. Total revenues (Lines 2 to 7).....	XXX	.0	.0
Hospital and Medical:			
9. Hospital/medical benefits.....			
10. Other professional services.....			
11. Outside referrals.....			
12. Emergency room and out-of-area.....			
13. Prescription drugs.....			
14. Aggregate write-ins for other hospital and medical.....	.0	.0	.0
15. Incentive pool, withhold adjustments and bonus amounts.....			
16. Subtotal (Lines 9 to 15).....	.0	.0	.0
Less:			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....	.0	.0	.0
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$.....0 cost containment expenses.....			
21. General administrative expenses.....			
22. Increase in reserves for life and accident and health contracts including \$.....0 increase in reserves for life only).....			
23. Total underwriting deductions (Lines 18 through 22).....	.0	.0	.0
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	.0	.0
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		14,742	
26. Net realized capital gains or (losses) less capital gains tax of \$.....(345).....		(986)	
27. Net investment gains or (losses) (Lines 25 plus 26).....	.0	13,756	.0
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.....	.0	.0	.0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	13,756	.0
31. Federal and foreign income taxes incurred.....	XXX	5,160	
32. Net income (loss) (Lines 30 minus 31).....	XXX	8,596	.0

DETAILS OF WRITE-INS

0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	.0	.0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above).....	XXX	.0	.0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	.0	.0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above).....	XXX	.0	.0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	.0	.0	.0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	.0	.0	.0
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page.....	.0	.0	.0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	.0	.0	.0

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	0	
34. Net income or (loss) from Line 32.....	8,596	0
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains and (losses) less capital gains tax of \$.....0.....		
37. Change in net unrealized foreign exchange capital gain or (loss).....		
38. Change in net deferred income tax.....		
39. Change in nonadmitted assets.....		
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.....	3,500,000	
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....		
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	3,508,596	0
49. Capital and surplus end of reporting period (Line 33 plus 48).....	3,508,596	0

DETAILS OF WRITE-INS

4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above).....	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....		
2. Net investment income.....	12,188	
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	12,188	0
5. Benefit and loss related payments.....		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....		
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).....	0	0
11. Net cash from operations (Line 4 minus Line 10).....	12,188	0
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	1,016,695	
12.2 Stocks.....		
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.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,016,695	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	4,510,610	
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	4,510,610	0
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(3,493,915)	0
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....	3,500,000	
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....		
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	3,500,000	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	18,273	0
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	0	
19.2 End of year (Line 18 plus Line 19.1).....	18,273	0

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

20.0001		
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Analysis of Operations by Lines of Business

NONE

Underwriting and Investment Ex. - Pt. 1 - Premiums

NONE

Underwriting and Investment Ex. - Pt. 2 - Claims Incurred During the Year

NONE

Underwriting and Investment Ex. - Pt. 2A - Claims Liability End of Current Year

NONE

Underwriting and Investment Ex. - Pt. 2B - Analysis of Claims Unpaid Prior Year

NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims

NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims

NONE

Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims

NONE

Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims

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**Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development of Paid Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development of Incurred Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2C - Development Ratio Incurred Year Health Claims
NONE**

**Underwriting and Investment Ex. - Pt. 2D - Aggregate Reserve for A&H Contracts Only
NONE**

**Underwriting and Investment Ex. - Pt. 3 - Analysis of Expenses
NONE**

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....18,99914,742
1.1 Bonds exempt from U.S. tax.....	(a).....	
1.2 Other bonds (unaffiliated).....	(a).....	
1.3 Bonds of affiliates.....	(a).....	
2.1 Preferred stocks (unaffiliated).....	(b).....	
2.11 Preferred stocks of affiliates.....	(b).....	
2.2 Common stocks (unaffiliated).....		
2.21 Common stocks of affiliates.....		
3. Mortgage loans.....	(c).....	
4. Real estate.....	(d).....	
5. Contract loans.....		
6. Cash, cash equivalents and short-term investments.....	(e).....	
7. Derivative instruments.....	(f).....	
8. Other invested assets.....		
9. Aggregate write-ins for investment income.....	0	0
10. Total gross investment income.....	18,999	14,742
11. Investment expenses.....		(g).....
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).....0
15. Aggregate write-ins for deductions from investment income.....		0
16. Total deductions (Lines 11 through 15).....		0
17. Net investment income (Line 10 minus Line 16).....		14,742

DETAILS OF WRITE-INS

0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page.....		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		0

- (a) Includes \$.679 accrual of discount less \$.4,642 amortization of premium and less \$.6,812 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.....	(1,331)		(1,331)		
1.1 Bonds exempt from U.S. tax.....			0		
1.2 Other bonds (unaffiliated).....			0		
1.3 Bonds of affiliates.....			0		
2.1 Preferred stocks (unaffiliated).....			0		
2.11 Preferred stocks of affiliates.....			0		
2.2 Common stocks (unaffiliated).....			0		
2.21 Common stocks of affiliates.....			0		
3. Mortgage loans.....			0		
4. Real estate.....			0		
5. Contract loans.....			0		
6. Cash, cash equivalents and short-term investments.....			0		
7. Derivative instruments.....			0		
8. Other invested assets.....			0		
9. Aggregate write-ins for capital gains (losses).....	0	0	0	0	0
10. Total capital gains (losses).....	(1,331)	0	(1,331)	0	0

DETAILS OF WRITE-INS

0901.			0		
0902.			0		
0903.			0		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	0	0	0	0	0

Ex. of Nonadmitted Assets
NONE

Ex. 1 - Enrollment by Product Type for Health Business Only
NONE

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices

The financial statement of the company are presented on the basis of accounting practice prescribed or permitted by the Arkansas Insurance Department.

The Arkansas Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Arkansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Arkansas Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual has been adopted as a component of prescribed or permitted practices by the state of Arkansas. The Department has the right to permit other specific practices that deviate from the prescribed practices. However, the Company does not employ any such practices.

	State of Domicile	2015	2014
NET INCOME			
(1) QualChoice Advantage Inc state basis (Page 4, Line 32, Columns 2 & 4)	AR	8,596	
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	AR	8,596	
SURPLUS			
(5) QualChoice Advantage Inc state basis (Page 3, line 33, Columns 3 & 4)	AR	3,508,596	
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	AR	3,508,596	

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

The Preparation of financial statements in conformity with NAIC SAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods. Actual results could result in material differences from those estimates.

C. Accounting Policy

The Company uses the following accounting policies:

- (1) Cash and cash equivalents consist primarily of highly liquid instruments which mature within three months from the date of purchase. Short-term investments consist primarily of investments purchased with an original maturity of 91 days to one year and certain money-market mutual funds.
- (2) Bonds are stated at amortized cost using the interest method.
- (3) Investments in common stock: None
- (4) Investments in preferred stock: None
- (5) Investments in mortgage loans: None
- (6) Investments in loan-backed securities: None
- (7) Investments in subsidiaries, controlled or affiliated companies: None
- (8) Investments in joint ventures, partnerships and limited liability companies: None
- (9) Investments in derivatives: None
- (10) None.
- (11) None.
- (12) None.
- (13) None.

Note 2 - Accounting Changes and Corrections of Errors

None.

Note 3 - Business Combinations and Goodwill

NOTES TO FINANCIAL STATEMENTS

- A. The Company has not been a party to a statutory merger during the current reporting period.
- B. Company does not have any goodwill resulting from assumption of reinsurance.
- C. Company has not participated in any statutory purchase during the current reporting period.
- D. The Company did not recognize an impairment loss on any of the transactions described above.

Note 4 - Discontinued Operations

Company does not have discontinued operations.

Note 5 – Investments

- A. Mortgage Loans: None
- B. Debt Restructuring: None
- C. Reverse Mortgages: None
- D. Loan-Backed Securities: None.
- E. Repurchase Agreements and/or Securities Lending Transactions: None
- F. Real Estate: None
- G. Low-Income Housing Tax Credits: None
- H. Restricted Assets: None.
- I. Working Capital Finance Investments: None.
- J. Offsetting and Netting of Assets and Liabilities: None.
- K. Structured Notes: None.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

None

Note 7 - Investment Income

The Company had no investment income that was excluded in 2014. All of the Company's investments and the income derived from such investments meet the criteria for admitted receivables.

Note 8 - Derivative Instruments

None.

Note 9 - Income Taxes

A. Components of Deferred Tax Assets (DTA's) and Deferred Tax Liabilities (DTL's):										
(1)										
Description										
2015			2014			Change				
Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total		
a	Gross deferred tax assets	-	-	-	-	-	-	-	-	-
b	Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
Adjusted gross deferred tax assets (1a-c 1b)										
c	Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
e	Net admitted deferred tax asset (1c-1d)	-	-	-	-	-	-	-	-	-
f	Deferred tax liabilities	-	-	-	-	-	-	-	-	-
g	Net deferred tax asset/(liability)	-	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

(2) Admission Calculation Components under SSAP No. 101									
	2015			2014			Change 2014-2015		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components									
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								
	-	-	-	-	-	-	-	-	-
	(1) Adjusted gross deferred tax assets expected to be realized following the								
	-	-	-	-	-	-	-	-	-
	(2) Adjusted gross deferred tax assets allowed per limitation threshold								
	xxx	xxx	526,341	xxx	xxx	-	xxx	xxx	526,341
c	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset								
	-	-	-	-	-	-	-	-	-
d	Deferred tax assets admitted as the result of application of SSAP 101. Total								
	-	-	-	-	-	-	-	-	-
	Deferred tax Liabilities								
	-	-	-	-	-	-	-	-	-
	Net Admitted Deferred Tax Asset (Liability)								
	-	-	-	-	-	-	-	-	-

(3) Other Admissibility Criteria									
	2015	2014							
a	Ratio percentage used to determine recovery period and threshold limitation								
	2264.00%	0.00%							
b	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b) 2 above.								
	3,508,941	-							
(4) Impact of Tax Planning strategies									
	2015			2014			Change 2012-2013		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a	Determination of adjusted gross deferred tax assets and net admitted								
	(1) Adjusted Gross DTAs amount from								
	-	-	-	-	-	-	-	-	-
	(2) Percentage of adjusted gross DTAs by tax character attributable to the								
	0%	0%	0%	0%	0%	0%	0%	0%	0%
	(3) Net Admitted Adjusted Gross DTAs								
	-	-	-	-	-	-	-	-	-
	(4) Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning								
	0%	0%	0%	0%	0%	0%	0%	0%	0%
b	Does the company's tax planning strategies include the use of								
		Yes []	No [X]						

B. There are no deferred tax liabilities for which temporary differences have not been established.

C. Current tax and change in deferred tax:			
(1) Current income taxes incurred consist of the following major components:			
	2015	2014	Change
a	Current federal income tax expense		
	5,160	-	5,160
b	Foreign taxes		
	-	-	-
c	Subtotal		
	5,160	-	5,160
d	Tax on capital gains/(losses)		
	(345)	-	(345)
e	Utilization of capital loss carryforwards		
	-	-	-
f	Other, including prior year		
	-	-	-
g	Federal and foreign income taxes incurred		
	4,815	-	4,815

NOTES TO FINANCIAL STATEMENTS

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

	December 31, 2015	December 31, 2014	Change
(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Loss reserve discounting	-		-
(2) Unearned premium reserves	-		-
(3) Accruals	-		-
(4) Net operating losses	-		-
(5) Credits			
(6) Other (required to disclose items > 5%)	-		-
Subtotal	-	-	-
(b) Statutory Valuation Allowance - Ordinary			
(c) Nonadmitted Deferred Tax Assets - Ordinary	-		-
(d) Admitted Deferred Tax Assets - Ordinary	-	-	-
(e) Capital			
(1) Investments	-	-	-
(2) Capital Loss Carryforwards			
(3) Other (required to disclose items > 5%)			
(4) Tax effect of unrealized capital losses			
Gross Capital Deferred Tax Assets	-	-	-
(f) Statutory Valuation Allowance - Capital			
(g) Nonadmitted Deferred Tax Assets - Capital			
(h) Admitted Deferred Tax Assets - Capital	-	-	-
(i) Total Admitted Deferred Tax Assets	-	-	-

(3) Deferred Tax Liabilities:			
(a) Ordinary			
(1) Fixed Assets	-		-
(2) Other (required to disclose items > 5%)	-		-
Ordinary Deferred Tax Liabilities	-	-	-
(b) Capital			
(1) Investments	-	-	-
(2) Other (required to disclose items > 5%)	-	-	-
(3) Tax effect of unrealized capital gains	-	-	-
Capital Deferred Tax Liabilities	-	-	-
(c) Total Deferred Tax Liabilities	-	-	-
(4) Net deferred tax assets/liabilities	-	-	-

The change in net deferred income taxes is composed of the following (this analysis is exclusive of nonadmitted DTAs as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2015	December 31, 2014	Change
Total deferred tax assets	-	-	-
Total deferred tax liabilities	-	-	-
Net deferred tax assets/liabilities	-	-	-
Tax effect of unrealized gains/(losses)			
Change in net deferred income tax [(expense)/benefit]			-

NOTES TO FINANCIAL STATEMENTS

D.	Reconciliation of Federal Income Tax Rate to Actual Effective Rate		
	The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to pre-tax income. The significant items causing this difference are as follows:		
	Amount	Tax Effect	Tax Rate
	Income before taxes	13,756	4,815
	Tax exempt interest	-	-
	Dividends received deduction	-	-
	Meals & Entertainment	-	-
	Change in statutory valuation allowance	-	-
	Change in non-admitted assets	-	-
	Other, including prior year true-up	-	-
	Total statutory income tax	13,756	4,815
	Federal income taxes incurred		5,160
	Tax on capital gains/(losses)		(345)
	Prior year overaccrual/(underaccrual)		0.0%
	Change in net deferred income tax [expense/(benefit)]		-
	Total statutory income tax		4,815

E.	(1)	Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits	
		December 31, 2015	December 31, 2014
		The Company had net operating losses of:	-
		The Company had capital loss carryforwards of:	-
		The Company had AMT credit carryforwards of:	-
		There are no Loss Carrybacks or Carryforwards. The AMT credit carryforwards do not expire.	
	(2)	The following represents income tax expense for 2015, 2014, and 2013 that is available for recoupment in the event of future net losses:	
		Year	Ordinary
		Capital	Total
		2013	-
		2014	-
		2015	5,160
		(345)	4,815
	(3)	The aggregate amounts of deposits reported as admitted assets under Section 6603 of the Internal Revenue Service (IRS) Code was zero as of December 31, 2015	

F.	Consolidated Federal Income Tax Return	
(1)	The Company will file a consolidated return with the following entities for the tax year beginning 7/1/2015:	
	Prominence Health, Inc.	46-1222808
	Prominence Health Plan Services, Inc.	46-1224037
	Qualchoice Holdings, Inc.	27-4075520
	QCA Health Plan, Inc	71-0794605
	Qualchoice Life and Health Insurance Company, Inc.	71-0386640
	Soundpath Health	42-1720801
	Clear River Health	46-4495960
	Riverlink Health of Kentucky, Inc.	46-4828332
	Riverlink Health	46-4380824
	Heartland Plains Health	46-4368223
	Harvest Plains Health of Iowa	47-3457150
	Stableview Health, Inc.	46-4373713
(2)	The method of allocation between the companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis, with the company receiving a current benefit for losses generated to the extent federal taxes are reduced for the consolidated tax group.	

G.	Federal or Foreign Federal Income Tax Loss Contingencies	
	The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.	

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Relationship with Parent Organizations

NOTES TO FINANCIAL STATEMENTS

The Company is wholly owned by Prominence Health Plan Services, Inc., (“PHPS”), formerly known as CollabHealth Plan Services, Inc., which was formed on October 17, 2012. PHPS’s ultimate parent company is Catholic Health Initiatives (“CHI”). CHI is a nation-wide Catholic sponsored non-profit organization that operates healthcare and provider entities. The mission of CHI is to “nurture the healing ministry of the Church by bringing it new life, energy and viability in the 21st century. Fidelity to the Gospel urges us to emphasize human dignity and social justice as we move toward the creation of healthier communities.”

The Company’s mission is to promote our member’s health through local provider innovation, be responsible stewards of healthcare resources and an active partner in improving the health of our communities and lives of our members, through offering Medicare Advantage Plans, with and without Part D Coverage, to those consumers who are 65 years or older or otherwise qualify for Medicare.

B., C. The Company has no significant transactions with affiliates.

D. None.

E. None.

F. None.

G. None.

H. The Company does not own shares of any upstream intermediary.

I. - L. The Company does not hold any investments in affiliates.

M., N. The Company does not have SCA investments.

Note 11 – Debt

None.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other

A. -D. Defined Benefit Plan: None

E. See 12.G below.

F. Multiemployer Plans: None

G. Consolidated/Holding Company Plans: None

H. Postemployment Benefits and Compensated Absences: No postemployment benefits and no unrecorded amounts for compensated absences

I. Impact of Medicare Modernization Act on Post Retirement Benefits: None

Note 13 - Capital and Surplus, Shareholders’ Dividend Restrictions and Quasi-Reorganizations

None.

Note 14 – Contingencies

A. Contingent Commitments

(1) The company is not a guarantor.

(2) Not applicable.

B. Assessments: None

C. Gain contingencies: None

D. Claims related extra-contractual obligation and bad faith losses stemming from lawsuits: None

E. Product Warranties: None

F. All Other Contingencies: None

Note 15 – Leases

A. Operating Leases: None

B. Lessor Leases: None

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

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, short-term investments, bonds and receivables.

NOTES TO FINANCIAL STATEMENTS

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfer of Receivables Reported as Sales: None
- B. Transfers and Servicing of Financial Assets: None
- C. Wash Sales: None

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

- A. ASO Plans: None
- B. ASC Plans: None
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract: None

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

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

Note 20 - Fair Value

- A. (1) The Company reports investments at amortized cost.
- (2) None.
- (3) The Company has no transfers between fair-value levels.
- (4) Fair value measurement categorized within Level 2 and Level 3 of the fair value hierarchy: None.
- (5) Derivative assets and liabilities: None.
- B. None.
- C. None.
- D. Not Practicable to Estimate Fair Value: None.

Note 21 - Other Items

- A. Extraordinary Items: None
- B. Troubled Debt Restructuring: Debtors – The Company does not have troubled debt restricting.
- C. Other Disclosures:
- D. The Company does not have any receivable balances due from insurance agents or brokers, and it does not have uninsured plans or retrospectively rated contracts. Therefore, there are no balances for assets that would be reasonably possible to be uncollectible.
- E. The Company had no business interruption insurance recoveries.
- F. The Company had no State Transferable Tax Credits.
- G. The Company had no Hybrid Securities reported on Schedule D.
- H. The Company had no investments in Subprime Mortgages.

Note 22 - Events Subsequent

None.

Note 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 directed 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

NOTES TO FINANCIAL STATEMENTS

of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

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 non-payment of premium or other similar credit?

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? When necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate. \$0.00

- (2) What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$0.00. Does the company 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 insurer may unilaterally cancel for reasons other than for nonpayment of payment or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate \$0.00.

- (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)

- a. If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments.

B. & C. The Company does not have uncollectible reinsurance or commutation of ceded reinsurance.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

A.–C. Estimate accrued retrospective premium: None

D. Medical Loss Ratio Rebates Required: None

E. Risk-Sharing Provisions of the Affordable Care Act (ACA): None

Note 25 - Change in Incurred Claims and Claim Adjustment Expenses

None.

Note 26 - Intercompany Pooling Arrangements

None.

Note 27 - Structured Settlements

Not applicable.

Note 28 - Health Care Receivables

None.

NOTES TO FINANCIAL STATEMENTS

Note 29 - Participating Policies

None.

Note 30 - Premium Deficiency Reserves

None.

Note 31 - Anticipated Salvage and Subrogation

None.

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 and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State regulating? Arkansas
- 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: 03/20/2015
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____
- 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. _____
- 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). _____
- 3.4 By what department or departments?
- 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
- 5.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1
Name of Entity | 2
NAIC
Company
Code | 3
State of
Domicile |
|---------------------|------------------------------|---------------------------|
| | | |
- 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
- 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
- 7.2 If yes,
- 7.21 State the percentage of foreign control 0.000%
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (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 bank holding company regulated with the Federal Reserve Board? Yes No
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes No
- 8.4 If the response to 8.3 is yes, please provide below 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 |
|---------------------|-----------------------------|----------|----------|-----------|----------|
| | | | | | |
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young 999 Third Avenue suite 3500, Seattle, WA 98104-4086
- 10.1 Has the insurer been granted an exemptions to the prohibited non-audit services provided by the certified independent public account 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
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to 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
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in complied with the domiciliary state insurance laws? Yes No N/A
- 10.6 If the response to 10.5 is no or n/a, please explain:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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?
Milliman 1301 5th Avenue, Suite 3800, Seattle, WA 98101-2605
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company _____
- 12.12 Number of parcels involved _____ 0
- 12.13 Total book/adjusted carrying value _____ \$ 0
- 12.2 If yes, provide explanation
13. **FOR UNITED STATES BRANCES 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 []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 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 [X]
- 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 [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors an all subordinator committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$ 0
- 20.12 To stockholders not officers \$ 0
- 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$ 0
- 20.22 To stockholders not officers \$ 0
- 20.23 Trustees, supreme or grand (Fraternal only) \$ 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$ 0
- 21.22 Borrowed from others \$ 0
- 21.23 Leased from others \$ 0
- 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 0
- 22.22 Amount paid as expenses \$ 0
- 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 24.01 Were all of the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes No
- 24.02 If no, give full and complete information, relating thereto:
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off balance sheet (an alternative is to reference Note 17 where this information is also provided).
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes No N/A
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ 0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes No N/A
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 24.103 Total payable for securities lending reported on the liability page: \$ 0
- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes No
- 25.2 If yes, state the amount thereof at December of the current year:
- 25.21 Subject to repurchase agreements \$ 0
- 25.22 Subject to reverse repurchase agreements \$ 0
- 25.23 Subject to dollar repurchase agreements \$ 0
- 25.24 Subject to reverse dollar repurchase agreements \$ 0
- 25.25 Placed under option agreements \$ 0
- 25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock \$ 0
- 25.27 FHLB Capital Stock \$ 0
- 25.28 On deposit with states \$ 303,979
- 25.29 On deposit with other regulatory bodies \$ 0
- 25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$ 0
- 25.31 Pledged as collateral to FHLB – including assets backing funding agreements \$ 0
- 25.32 Other \$ 0
- 25.3 For category (25.26) provide the following:
- | 1
Nature of Restriction | 2
Description | 3
Amount |
|----------------------------|------------------|-------------|
| | | \$ |
- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No
- 27.2 If yes, state the amount thereof at December of the current year: \$ 0
28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes No
- 28.01 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:
- | 1
Name of Custodian(s) | 2
Custodian Address |
|----------------------------|--|
| BNY Mellon Asset Servicing | BNY Mellon Center, 500 Grant Street, Suite 410, Pittsburgh, PA 15258 |
- 28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation
- | 1
Name(s) | 2
Location(s) | 3
Complete Explanation(s) |
|--------------|------------------|------------------------------|
| | | |
- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes No
- 28.04 If yes, give full and complete information relating thereto:
- | 1
Old Custodian | 2
New Custodian | 3
Date of Change | 4
Reason |
|--------------------|--------------------|---------------------|-------------|
| | | | |
- 28.05 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:
- | 1
Central Registration Depository | 2
Name(s) | 3
Address |
|--------------------------------------|--|--|
| 113972 | Standish Mellon Asset Management Company LLC | BNY Mellon Center, 201 Washington Street, Boston, MA 02108 |
- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes No
- 29.2 If yes, complete the following schedule:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holdings	4 Date of Valuation

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	3,488,964	3,472,249	(16,715)
30.2	Preferred Stocks	0	0	0
30.3	Totals	3,488,964	3,472,249	(16,715)

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

Rates from Custodian

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

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

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

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

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 0

33.2 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
	\$

34.1 Amount of payments for legal expenses, if any? \$ 0

34.2 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
	\$

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

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

1 Name	2 Amount Paid
	\$

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?			Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.		\$		0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?		\$		0
1.31	Reason for excluding:				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.		\$		0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.		\$		0
1.6	Individual policies:				
	Most current three years:				
1.61	Total premium earned		\$		0
1.62	Total incurred claims		\$		0
1.63	Number of covered lives		\$		0
	All years prior to most current three years:				
1.64	Total premium earned		\$		0
1.65	Total incurred claims		\$		0
1.66	Number of covered lives		\$		0
1.7	Group policies:				
	Most current three years:				
1.71	Total premium earned		\$		0
1.72	Total incurred claims		\$		0
1.73	Number of covered lives		\$		0
	All years prior to most current three years:				
1.74	Total premium earned		\$		0
1.75	Total incurred claims		\$		0
1.76	Number of covered lives		\$		0
2.	Health Test:				
		1		2	
		Current Year		Prior Year	
2.1	Premium Numerator	\$	0	\$	0
2.2	Premium Denominator	\$	0	\$	0
2.3	Premium Ratio (2.1/2.2)	\$	0.000	\$	0.000
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	0	\$	0
2.6	Reserve Ratio (2.4/2.5)	\$	0.000	\$	0.000
3.1	Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?			Yes []	No [X]
3.2	If yes, give particulars:				
4.1	Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?			Yes [X]	No []
4.2	If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?			Yes []	No []
5.1	Does the reporting entity have stop-loss reinsurance?			Yes []	No [X]
5.2	If no, explain:				
	<u>Stop loss agreement commence 01/01/2016 with inception of Medicare coverage</u>				
5.3	Maximum retained risk (see instructions)				
5.31	Comprehensive Medical		\$		0
5.32	Medical Only		\$		0
5.33	Medicare Supplement		\$		0
5.34	Dental and Vision		\$		0
5.35	Other Limited Benefit Plan		\$		0
5.36	Other		\$		0
6.	Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:				
7.1	Does the reporting entity set up its claim liability for provider services on a service date basis?			Yes [X]	No []
7.2	If no, give details				

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year 0
- 8.2 Number of providers at end of reporting year 0
-
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees with rate guarantees between 15-36 months \$ 0
- 9.22 Business with rate guarantees over 36 months \$ 0
-
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses \$ 0
- 10.22 Amount actually paid for year bonuses \$ 0
- 10.23 Maximum amount payable withholds \$ 0
- 10.24 Amount actually paid for year withholds \$ 0
-
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes [] No [X]
- 11.13 An Individual Practice Association (IPA), or, Yes [] No [X]
- 11.14 A Mixed Model (combination of above)? Yes [] No [X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.
- 11.4 If yes, show the amount required. \$ 1,500,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 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
Conway, Garland, Lonoke, Perry, Pulaski Counties

- 13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0
- 13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [X] N/A []
- 14.2 If the answer to 14.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
	0		\$	\$	\$	\$

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).
- 15.1 Direct Premium Written \$ 0
- 15.2 Total Incurred Claims \$ 0
- 15.3 Number of Covered Lives 0

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

FIVE-YEAR HISTORICAL DATA

	1 2015	2 2014	3 2013	4 2012	5 2011
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28).....	3,513,756				
2. Total liabilities (Page 3, Line 24).....	5,160				
3. Statutory minimum capital and surplus requirement.....	1,500,000				
4. Total capital and surplus (Page 3, Line 33).....	3,508,596				
Income Statement Items (Page 4)					
5. Total revenues (Line 8).....					
6. Total medical and hospital expenses (Line 18).....					
7. Claims adjustment expenses (Line 20).....					
8. Total administrative expenses (Line 21).....					
9. Net underwriting gain (loss) (Line 24).....					
10. Net investment gain (loss) (Line 27).....	13,756				
11. Total other income (Lines 28 plus 29).....					
12. Net income or (loss) (Line 32).....	8,596				
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	12,188				
Risk-Based Capital Analysis					
14. Total adjusted capital.....	3,508,596				
15. Authorized control level risk-based capital.....	2,264				
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7).....					
17. Total member months (Column 6, Line 7).....					
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100 .0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5).....	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19).....					
20. Cost containment expenses.....					
21. Other claims adjustment expenses.....					
22. Total underwriting deductions (Line 23).....					
23. Total underwriting gain (loss) (Line 24).....					
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5).....					
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]					
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1).....					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1).....					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1).....					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10).....					
30. Affiliated mortgage loans on real estate.....					
31. All other affiliated.....					
32. Total of above Lines 26 to 31.....	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.....					

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

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

NONE

DETAILS OF WRITE-INS

58001.....									0
58002.....									0
58003.....									0
58998. Summary of remaining write-ins for line 58.....		0	0	0	0	0	0	0	0
58999. Total (Lines 58001 thru 58003 + 58998).....		0	0	0	0	0	0	0	0

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

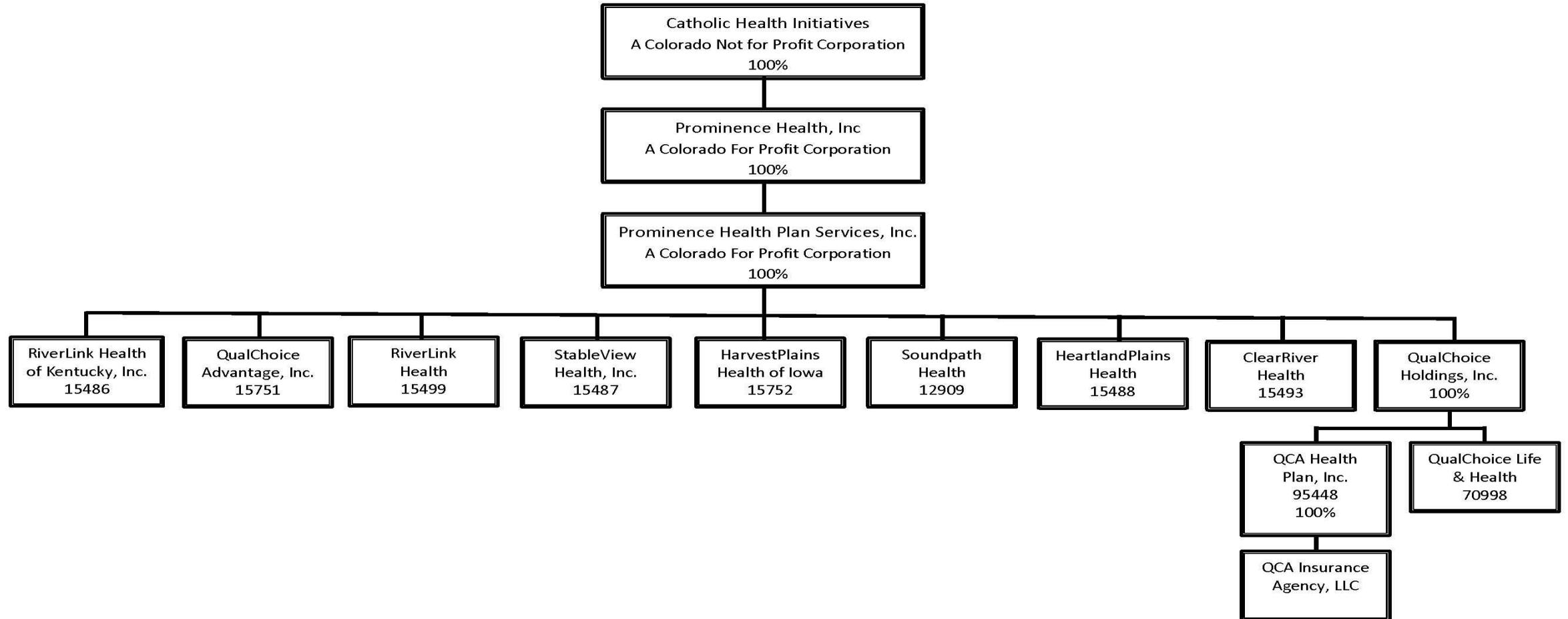
Explanation of basis of allocation by states, premiums by state, etc.

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

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

PART 1 – ORGANIZATIONAL CHART

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