



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

HealthLink HMO, Inc.

NAIC Group Code 0671 0671 NAIC Company Code 96475 Employer's ID Number 43-1616135
(Current) (Prior)

Organized under the Laws of Missouri State of Domicile or Port of Entry Missouri

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

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

Incorporated/Organized 07/29/1992 Commenced Business 01/14/1993

Statutory Home Office 1831 Chestnut Street St. Louis, MO, US 63103-2275
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1831 Chestnut Street
(Street and Number)
St. Louis, MO, US 63103-2275 314-923-4444
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 6775 W. Washington Street Milwaukee, WI, US 53214
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 6775 W. Washington Street
(Street and Number)
Milwaukee, WI, US 53214 414-459-6833
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.healthlink.com

Statutory Statement Contact Brenda J Buss 414-459-6833
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

President Dennis William Casey Treasurer Robert David Kretschmer
 Secretary Kathleen Susan Kiefer Assistant Secretary Karen Elizabeth Geiger

OTHER

DIRECTORS OR TRUSTEES

Wayne Scott DeVeydt Dennis William Casey Catherine Irene Kelaghan

State of Indiana SS:
 County of Hendricks

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.

Dennis William Casey Kathleen Susan Kiefer Robert David Kretschmer
 President Secretary Treasurer

Subscribed and sworn to before me this 30 day of JANUARY, 2013
Theresa Hill

- 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



ANNUAL STATEMENT FOR THE YEAR 2012 OF THE HealthLink HMO, Inc.

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)	14,506,078		14,506,078	25,148,680
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$3,231,561 , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$236,686 , Schedule DA)	3,468,247		3,468,247	(7,058,715)
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)			0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	17,974,325	0	17,974,325	18,089,965
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	18,078		18,078	373,000
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	88,708
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	240,670
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	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	0
23. Receivables from parent, subsidiaries and affiliates	321,270		321,270	657,623
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	11,121	11,121	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	18,324,794	11,121	18,313,673	19,449,966
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	18,324,794	11,121	18,313,673	19,449,966
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Provider Admin Fee Receivable	11,121	11,121	0	0
2502.				
2503.				
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)	11,121	11,121	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 11,639 reinsurance ceded)			0	0
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses			0	0
4. Aggregate health policy reserves, including the liability of \$ 0 for medical loss ratio rebate per the Public Health Service Act			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	177		177	14,323
9. General expenses due or accrued	943,012		943,012	736,599
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	474,579		474,579	438,457
10.2 Net deferred tax liability	1,059		1,059	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittance and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	76,388		76,388	182,077
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 0 unauthorized reinsurers and \$ 0 certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified (\$ companies)			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans	11,171		11,171	57,155
23. Aggregate write-ins for other liabilities (including \$ 2,473 current)	39,614	0	39,614	26,904
24. Total liabilities (Lines 1 to 23)	1,546,000	0	1,546,000	1,455,515
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	1,000	1,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	2,499,000	2,499,000
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	14,267,673	15,494,451
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	16,767,673	17,994,451
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	18,313,673	19,449,966
DETAILS OF WRITE-INS				
2301. Escheat	39,614		39,614	26,904
2302.				
2303.				
2308. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2309. Totals (Lines 2301 thru 2303 plus 2308)(Line 23 above)	39,614	0	39,614	26,904
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	147	240
2. Net premium income (including \$ non-health premium income)	XXX	0	0
3. Change in unearned premium reserves and reserve for rate credits	XXX	0	0
4. Fee-for-service (net of \$ medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	35,654	17,644
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	35,654	17,644
Hospital and Medical:			
9. Hospital/medical benefits		10,423	144,739
10. Other professional services		0	0
11. Outside referrals		0	0
12. Emergency room and out-of-area		0	0
13. Prescription drugs		596	359
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments, and bonus amounts		0	0
16. Subtotal (Lines 9 to 15)	0	11,019	145,098
Less:			
17. Net reinsurance recoveries		11,019	145,098
18. Total hospital and medical (Lines 16 minus 17)	0	0	0
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$ 956,041 cost containment expenses		962,967	767,417
21. General administrative expenses	0	(14,798,790)	(15,184,104)
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		0	0
23. Total underwriting deductions (Lines 18 through 22).....	0	(13,835,823)	(14,416,687)
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	13,871,477	14,434,331
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		800,716	799,110
26. Net realized capital gains (losses) less capital gains tax of \$ 84,757		143,139	12,488
27. Net investment gains (losses) (Lines 25 plus 26)	0	943,855	811,598
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			
29. Aggregate write-ins for other income or expenses	0	0	(800)
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	14,815,332	15,245,129
31. Federal and foreign income taxes incurred	XXX	5,117,223	5,327,038
32. Net income (loss) (Lines 30 minus 31)	XXX	9,698,109	9,918,091
DETAILS OF WRITE-INS			
0601. Provider Admin Fees	XXX	35,654	17,644
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	35,654	17,644
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. Tax Penalties & Fines			(800)
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	(800)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	17,994,451	20,791,191
34. Net income or (loss) from Line 32.....	9,698,109	9,918,091
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....		
37. Change in net unrealized foreign exchange capital gain or (loss).....		
38. Change in net deferred income tax.....	(465,993)	311,391
39. Change in nonadmitted assets.....	1,316,842	(1,026,222)
40. Change in unauthorized and certified reinsurance.....	0	0
41. Change in treasury stock.....	0	0
42. Change in surplus notes.....	0	0
43. Cumulative effect of changes in accounting principles.....	224,264	
44. Capital Changes:		
44.1 Paid in.....	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....	0	0
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....	(12,000,000)	(12,000,000)
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	(1,226,778)	(2,796,740)
49. Capital and surplus end of reporting period (Line 33 plus 48)	16,767,673	17,994,451
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	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	(14,146)	13,321
2. Net investment income	1,161,276	435,740
3. Miscellaneous income	35,654	17,644
4. Total (Lines 1 through 3)	1,182,784	466,705
5. Benefit and loss related payments	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	(14,118,913)	(15,090,729)
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$84,757 tax on capital gains (losses)	5,165,858	5,348,250
10. Total (Lines 5 through 9)	(8,953,055)	(9,742,479)
11. Net cash from operations (Line 4 minus Line 10)	10,135,839	10,209,184
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	12,378,746	2,195,600
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	12,378,746	2,195,600
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,513,886	2,897,440
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,513,886	2,897,440
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	10,864,860	(701,840)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	12,000,000	12,000,000
16.6 Other cash provided (applied)	1,526,263	(878,486)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(10,473,737)	(12,878,486)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	10,526,962	(3,371,142)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(7,058,715)	(3,687,573)
19.2 End of year (Line 18 plus Line 19.1)	3,468,247	(7,058,715)

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

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE HealthLink HMO, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	0									
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	35,654	0	0	0	0	0	0	0	35,654	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	35,654	0	0	0	0	0	0	0	35,654	0
8. Hospital/medical benefits	10,423	10,423								XXX
9. Other professional services	0									XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	0									XXX
12. Prescription drugs	596	596								XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	11,019	11,019	0	0	0	0	0	0	0	XXX
16. Net reinsurance recoveries	11,019	11,019								XXX
17. Total medical and hospital (Lines 15 minus 16)	0	0	0	0	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$ 962,968 cost containment expenses	962,968								962,968	
20. General administrative expenses	(14,798,790)								(14,798,790)	
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	(13,835,822)	0	0	0	0	0	0	0	(13,835,822)	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	13,871,476	0	0	0	0	0	0	0	13,871,476	0
DETAILS OF WRITE-INS										
0501. Provider Admin Fees	35,654								35,654	XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	35,654	0	0	0	0	0	0	0	35,654	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	34,631		34,631	0
2. Medicare Supplement				0
3. Dental only				0
4. Vision only				0
5. Federal Employees Health Benefits Plan	0			0
6. Title XVIII - Medicare	0			0
7. Title XIX - Medicaid	0			0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	34,631	0	34,631	0
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	34,631	0	34,631	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	17,289	17,289								
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	17,289	17,289								
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	11,639	11,639	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	11,639	11,639	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0									
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	17,909	17,909	0	0	0	0	0	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	17,909	17,909	0	0	0	0	0	0	0	0
8.4 Net	0	0	0	0	0	0	0	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0									
11. Amounts recoverable from reinsurers December 31, prior year	0									
12. Incurred Benefits:										
12.1 Direct	11,019	11,019	0	0	0	0	0	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	11,019	11,019	0	0	0	0	0	0	0	0
12.4 Net	0	0	0	0	0	0	0	0	0	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct .....	.0									
1.2 Reinsurance assumed .....	.0									
1.3 Reinsurance ceded .....	.0									
1.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Incurred but Unreported:										
2.1 Direct	11,639	11,639								
2.2 Reinsurance assumed .....	.0									
2.3 Reinsurance ceded	11,639	11,639								
2.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....	.0									
3.2 Reinsurance assumed .....	.0									
3.3 Reinsurance ceded .....	.0									
3.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:										
4.1 Direct	11,639	11,639	.0	.0	.0	.0	.0	.0	.0	.0
4.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded	11,639	11,639	.0	.0	.0	.0	.0	.0	.0	.0
4.4 Net	0	0	0	0	0	0	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental Only						
4. Vision Only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid						
8. Other health						
9. Health subtotal (Lines 1 to 8)						
10. Healthcare receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts						
13. Totals (Lines 9 - 10 + 11 + 12)						

NONE

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

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

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	(4)	(4)	(4)	(4)	(4)
2.	2008	5	5	5	5	5
3.	2009	XXX	0	0	0	0
4.	2010	XXX	XXX	0	0	0
5.	2011	XXX	XXX	XXX	0	0
6.	2012	XXX	XXX	XXX	XXX	0

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

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	(4)	(4)	(4)	(4)	(4)
2.	2008	5	5	5	5	5
3.	2009	XXX	0	0	0	0
4.	2010	XXX	XXX	0	0	0
5.	2011	XXX	XXX	XXX	0	0
6.	2012	XXX	XXX	XXX	XXX	0

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	106		65	0.0	65	61.3			65	61.3
2. 2009	75		248	0.0	248	330.7			248	330.7
3. 2010	0		695	0.0	695	0.0			695	0.0
4. 2011	0		767	0.0	767	0.0			767	0.0
5. 2012	0		963	0.0	963	0.0			963	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	(4)	(4)	(4)	(4)	(4)
2.	2008	5	5	5	5	5
3.	2009	XXX	0	0	0	0
4.	2010	XXX	XXX	0	0	0
5.	2011	XXX	XXX	XXX	0	0
6.	2012	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	(4)	(4)	(4)	(4)	(4)
2.	2008	5	5	5	5	5
3.	2009	XXX	0	0	0	0
4.	2010	XXX	XXX	0	0	0
5.	2011	XXX	XXX	XXX	0	0
6.	2012	XXX	XXX	XXX	XXX	0

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	106	0	65	0.0	65	61.3	0	0	65	61.3
2. 2009	75	0	248	0.0	248	330.7	0	0	248	330.7
3. 2010	0	0	695	0.0	695	0.0	0	0	695	0.0
4. 2011	0	0	767	0.0	767	0.0	0	0	767	0.0
5. 2012	0	0	963	0.0	963	0.0	0	0	963	0.0

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UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves									
2. Additional policy reserves (a)									
3. Reserve for future contingent benefits									
4. Reserve for rate credits or experience rating refunds (including \$) for investment income									
5. Aggregate write-ins for other policy reserves									
6. Totals (gross)									
7. Reinsurance ceded									
8. Totals (Net)(Page 3, Line 4)									
9. Present value of amounts not yet due on claims									
10. Reserve for future contingent benefits									
11. Aggregate write-ins for other claim reserves									
12. Totals (gross)									
13. Reinsurance ceded									
14. Totals (Net)(Page 3, Line 7)									
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....									
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)									
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page									
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)									

NONE

(a) Includes \$ premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE HealthLink HMO, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ for occupancy of own building)	30,531	19	(17,073)	(66)	13,411
2. Salary, wages and other benefits	791,895	771	26,827	104	819,597
3. Commissions (less \$ ceded plus \$ assumed)					0
4. Legal fees and expenses			(5,857)	(23)	(5,880)
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services	6,350	764	8,160	32	15,306
7. Traveling expenses	3,252	8	460	2	3,722
8. Marketing and advertising	3		343	1	347
9. Postage, express and telephone	32,728	20	950	4	33,702
10. Printing and office supplies	1,006	1	(1,167)	(5)	(165)
11. Occupancy, depreciation and amortization					0
12. Equipment	3,038	1	3,158	12	6,209
13. Cost or depreciation of EDP equipment and software	14,069	2	2,985	12	17,068
14. Outsourced services including EDP, claims, and other services	16,775	2,333	19,190	74	38,372
15. Boards, bureaus and association fees			1,156	4	1,160
16. Insurance, except on real estate			3,014	12	3,026
17. Collection and bank service charges			123		123
18. Group service and administration fees	12				12
19. Reimbursements by uninsured plans			(15,757,022)	0	(15,757,022)
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses	46		8,435	33	8,514
22. Real estate taxes			2,181	8	2,189
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	20		914,909	3,542	918,471
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees	2		486	2	490
23.4 Payroll taxes	55,667	45	178	1	55,891
23.5 Other (excluding federal income and real estate taxes)			1,418	5	1,423
24. Investment expenses not included elsewhere			0	12,917	12,917
25. Aggregate write-ins for expenses	647	2,962	(11,644)	(45)	(8,080)
26. Total expenses incurred (Lines 1 to 25)	956,041	6,926	(14,798,790)	16,626	(a) (13,819,197)
27. Less expenses unpaid December 31, current year			943,012		943,012
28. Add expenses unpaid December 31, prior year			736,599		736,599
29. Amounts receivable relating to uninsured plans, prior year			122,661		122,661
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	956,041	6,926	(15,127,864)	16,626	(14,148,271)
DETAILS OF WRITE-INS					
2501. Other expense	647	2,962	(11,644)	(45)	(8,080)
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	647	2,962	(11,644)	(45)	(8,080)

(a) Includes management fees of \$(15,570,632) to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U.S. government bonds	(a) 705,323	704,401
1.1 Bonds exempt from U.S. tax	(a) .....	.....
1.2 Other bonds (unaffiliated)	(a) 111,265	111,639
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) 1,302	1,302
7. Derivative instruments	(f) .....	.....
8. Other invested assets .....	.....	.....
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	817,889	817,342
11. Investment expenses .....	.....	(g) 13,076
12. Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g) 3,550
13. Interest expense .....	.....	(h)
14. Depreciation on real estate and other invested assets .....	.....	(i)
15. Aggregate write-ins for deductions from investment income .....	.....	0
16. Total deductions (Lines 11 through 15) .....	.....	16,626
17. Net investment income (Line 10 minus Line 16) .....	.....	800,716
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 \$ 6,956 accrual of discount less \$ 12,594 amortization of premium and less \$ paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	176,926	0	176,926	0	0
1.1 Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2 Other bonds (unaffiliated)	50,970	0	50,970	0	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	227,896	0	227,896	0	0
DETAILS OF WRITE-INS					
0901. ....	.....	.....	.....	.....	.....
0902. ....	.....	.....	.....	.....	.....
0903. ....	.....	.....	.....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
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			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			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
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued		0	0
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			0
15.3 Accrued retrospective premiums			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		33,953	33,953
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset		224,264	224,264
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
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates		1,280,714	1,280,714
24. Health care and other amounts receivable			0
25. Aggregate write-ins for other than invested assets	11,121	13,295	2,174
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	11,121	1,552,226	1,541,105
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	11,121	1,552,226	1,541,105
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Provider Admin Fee Receivable	11,121	13,295	2,174
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	11,121	13,295	2,174

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	15	14	12	11	11	147
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	15	14	12	11	11	147
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies**A. Accounting Practices**

The accompanying financial statements of HealthLink HMO, Inc. (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement* Instructions and in accordance with accounting practices prescribed or permitted by the State of Missouri Department of Insurance (the “Department”). The Department has adopted accounting policies found in the National Association of Insurance Commissioners’ (“NAIC”) *Accounting Practices and Procedures Manual* (“NAIC SAP”) as a component of prescribed accounting practices. Additionally, the Department has adopted certain prescribed accounting practices that differ from those found in NAIC SAP, which impact the Company, specifically; limitations are placed on intercompany receivable balances. The Department has the right to permit other specific practices that deviate from prescribed practices. The Company has employed no permitted practices in preparing the accompanying statutory basis financial statements.

A reconciliation of the Company’s net income and capital and surplus as of December 31, 2012 and 2011, respectively, between NAIC SAP and practices prescribed by the Department is shown below:

	<u>State of Domicile</u>	<u>2012</u>	<u>2011</u>
<u>Net Income</u>			
(1) HealthLink HMO, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	<u>Missouri</u>	<u>\$ 9,698,109</u>	<u>\$ 9,918,091</u>
(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)	<u>Missouri</u>	<u>\$ 9,698,109</u>	<u>\$ 9,918,091</u>
<u>Surplus</u>			
(5) HealthLink HMO, Inc. state basis (Page 3, Line 33, Columns 3 & 4)	<u>Missouri</u>	<u>\$ 16,767,673</u>	<u>\$ 17,994,451</u>
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: Nonadmittance of amounts due from affiliates pursuant to 382.195 of Missouri Revised Statutes effective August 28, 2005.	<u>Missouri</u>	-	(1,280,714)
(7) State Permitted Practices that increase/(decrease) NAIC SAP:		-	-
(8) NAIC SAP (5-6-7=8)	<u>Missouri</u>	<u>\$ 16,767,673</u>	<u>\$ 19,275,165</u>

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

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policies

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written, and are computed by pro rata methods for direct business. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Department.

NOTES TO FINANCIAL STATEMENTS

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, such as premium taxes and other underwriting expenses, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

1. Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
2. Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
3. The Company has no investments in common stocks of unaffiliated companies.
4. The Company has no investments in preferred stocks.
5. Mortgage loans on real estate– Not applicable.
6. Loan-backed securities– Not applicable.
7. The Company has no investments in subsidiaries, controlled and affiliated companies.
8. The Company has no investments in joint ventures, partnerships and limited liability companies.
9. The Company has no derivative instruments.
10. The Company does not anticipate investment income as a factor in premium deficiency reserve calculations.
11. Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, 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 liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
12. The Company has not modified its capitalization policy from the prior period.
13. Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.
14. Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.

2. Accounting Changes and Corrections of Errors

Effective January 1, 2012, the Company adopted Statement of Statutory Accounting Principle ("SSAP") No. 101, *Income Taxes – A Replacement of SSAP No. 10R and No. 10* ("SSAP 101"). The revised standard contains changes to accounting for current and deferred federal and foreign income taxes. One of the changes impacting the Company is that the increased reversal period assumptions and surplus limitations are no longer elective. If the Company qualifies for increased benefits due to sufficient risk-based capital levels then they are mandatory. The Company had not previously elected the increased benefits available under SSAP No. 10R and does qualify for the increased benefits.

NOTES TO FINANCIAL STATEMENTS

The most significant impact for the Company is the use of increased reversal period assumptions. The cumulative impact on surplus of the adoption of this pronouncement is \$224,264. The impact is reported in the 2012 statements as an increase to surplus on page 5 line 43.

There were no corrections of errors during the years ended December 31, 2012 and 2011.

3. Business Combinations and Goodwill

A. Statutory Purchase Method	Not applicable.
B. Statutory Merger	Not applicable.
C. Assumption Reinsurance	Not applicable.
D. Impairment Loss	Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2012 or 2011.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2012 or 2011.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2012 or 2011.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2012 or 2011.

D. Loan-Backed Securities

The Company did not have loan-backed securities at December 31, 2012 or 2011.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company did not enter into repurchase agreements or securities lending transactions at December 31, 2012 or 2011.

F. Real Estate

The Company did not own investment real estate at December 31, 2012 or 2011.

G. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2012 or 2011.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company did not have investments in joint ventures, partnerships or limited liability companies at December 31, 2012 or 2011.

B. Not applicable.

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.
- B. At December 31, 2012 and 2011 there was no non-admitted accrued investment interest income.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

- A. The components of net deferred tax asset (liability)

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

	12/31/2012		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 4,515	\$ -	\$ 4,515
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	4,515	-	4,515
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	4,515	-	4,515
(f) Deferred Tax Liabilities	-	5,574	5,574
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 4,515	\$ (5,574)	\$ (1,059)

	12/31/2011		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 473,063	\$ -	\$ 473,063
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	473,063	-	473,063
(d) Deferred Tax Assets Nonadmitted	224,264	-	224,264
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	248,799	-	248,799
(f) Deferred Tax Liabilities	-	8,129	8,129
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 248,799	\$ (8,129)	\$ 240,670

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ (468,548)	\$ -	\$ (468,548)
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	(468,548)	-	(468,548)
(d) Deferred Tax Assets Nonadmitted	(224,264)	-	(224,264)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	(244,284)	-	(244,284)
(f) Deferred Tax Liabilities	-	(2,555)	(2,555)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ (244,284)	\$ 2,555	\$ (241,729)

NOTES TO FINANCIAL STATEMENTS

2. The amount of admitted gross deferred tax assets under each component of SSAP 101 as of December 31 is as follows:

	12/31/2012		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 4,515	\$ -	\$ 4,515
(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. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
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	2,515,310
(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))	<u>\$ 4,515</u>	<u>\$ -</u>	<u>\$ 4,515</u>

	12/31/2011		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 240,670	\$ -	\$ 240,670
(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. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
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	1,532,236
(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.	8,129	-	8,129
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 248,799</u>	<u>\$ -</u>	<u>\$ 248,799</u>

	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ (236,155)	\$ -	\$ (236,155)
(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. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-
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	983,074
(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.	(8,129)	-	(8,129)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ (244,284)</u>	<u>\$ -</u>	<u>\$ (244,284)</u>

	2012	2011
3.		
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	56617%	55306%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 16,767,673	\$ 17,994,451

NOTES TO FINANCIAL STATEMENTS

4. There is no impact of tax planning strategies.

B. The Company has no unrecognized deferred tax liabilities at December 31, 2012 and 2011.

C. Current income taxes incurred (benefit) consist of the following major components:

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ 5,117,223	\$ 5,327,038	\$ (209,815)
(b) Foreign	-	-	-
(c) Subtotal	<u>5,117,223</u>	<u>5,327,038</u>	<u>(209,815)</u>
(d) Federal income tax expense net capital gains	84,757	6,723	78,034
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	<u>\$ 5,201,980</u>	<u>\$ 5,333,761</u>	<u>\$ (131,781)</u>

NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	12	1,003	(991)
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	3,892	464,787	(460,895)
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary assets)	611	7,273	(6,662)
(99) Subtotal	4,515	473,063	(468,548)
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	224,264	(224,264)
(d) Admitted ordinary deferred assets (2a99 - 2b - 2c)	4,515	248,799	(244,284)
(e) Capital:			
(1) Investments	-	-	-
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	-	-	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	\$ 4,515	\$ 248,799	\$ (244,284)

NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2012	12/31/2011	(Col 1-2) Change
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$ -	\$ -	\$ -
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	-	-	-
(b) Capital:			
(1) Investments	5,574	8,129	(2,555)
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	5,574	8,129	(2,555)
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 5,574	\$ 8,129	\$ (2,555)
4. Net deferred tax assets/liabilities (2i - 3C)	\$ (1,059)	\$ 240,670	\$ (241,729)

D. The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 35% for the year ended December 31 as follows:

	<u>2012</u>	<u>2011</u>
Tax expense computed using federal statutory rate	\$ 5,215,031	\$ 5,338,150
Change in nonadmitted assets	460,895	(306,395)
Tax exempt income and dividend received net of proration	(9,561)	(9,665)
Other	1,608	280
Total	<u>\$ 5,667,973</u>	<u>\$ 5,022,370</u>
Federal income taxes incurred	\$ 5,201,980	\$ 5,333,761
Change in net deferred income taxes	465,993	(311,391)
Total statutory income taxes	<u>\$ 5,667,973</u>	<u>\$ 5,022,370</u>

E. Operating loss carryforwards:

1. The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2012.

NOTES TO FINANCIAL STATEMENTS

2. The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
2012	\$ 5,115,280	\$ 84,757	\$ 5,200,037
2011	5,237,036	6,723	5,243,759
2010	NA	543	543

3. The Company has no protective tax deposits as admitted assets under Section 6603 of the Internal Revenue Code December 31, 2012 and 2011.

F. The following companies will be included in the consolidated federal income tax return with their parent WellPoint, Inc. as of December 31, 2012 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

NOTES TO FINANCIAL STATEMENTS

1-800 CONTACTS PARENT CORP.
 1-800 CONTACTS PARENT HOLDINGS CORP.
 1-800 CONTACTS, INC.
 American Imaging Management, Inc.
 AMERIGROUP Arizona, Inc.
 AMERIGROUP California, Inc.
 AMERIGROUP Colorado, Inc.
 AMERIGROUP Community Care of Arizona, Inc.
 AMERIGROUP Community Care of Mississippi, Inc.
 AMERIGROUP Community Care of New Mexico, Inc.
 AMERIGROUP Connecticut, Inc.
 AMERIGROUP Corporation
 AMERIGROUP Delaware, Inc.
 AMERIGROUP Florida, Inc.
 AMERIGROUP Hawaii, Inc.
 AMERIGROUP Health Solutions, Inc.
 AMERIGROUP Indiana, Inc.
 Amerigroup Insurance Company
 Amerigroup Kansas, Inc.
 AMERIGROUP Louisiana, Inc.
 AMERIGROUP Maine, Inc.
 AMERIGROUP Maryland, Inc.
 AMERIGROUP Massachusetts, Inc.
 AMERIGROUP Michigan, Inc.
 AMERIGROUP Nevada, Inc.
 AMERIGROUP New Jersey, Inc.
 AMERIGROUP New York, LLC
 AMERIGROUP Ohio, Inc.
 AMERIGROUP Pennsylvania, Inc.
 AMERIGROUP Puerto Rico, Inc.
 Amerigroup Services, Inc.
 AMERIGROUP Tennessee, Inc.
 AMERIGROUP Texas, Inc.
 AMERIGROUP Washington, Inc.
 AMERIGROUP Wisconsin, Inc.
 AMERIVANTAGE, Inc.
 AMGP Georgia Managed Care Company, Inc.
 AMGP Georgia, Inc.
 Anthem Blue Cross Life and Health Insurance Company
 Anthem Credentialing Services, Inc.
 Anthem Financial, Inc.
 Anthem Health Insurance Company of Nevada
 Anthem Health Plans of Kentucky, Inc.
 Anthem Health Plans of Maine, Inc.
 Anthem Health Plans of New Hampshire, Inc.
 Anthem Health Plans of Virginia, Inc.
 Anthem Health Plans, Inc.
 Anthem Holding Corp.
 Anthem Insurance Companies, Inc.
 Anthem Life & Disability Insurance Company
 Anthem Southeast, Inc.
 Anthem UM Services, Inc.
 Arcus Enterprises, Inc.
 Arcus Financial Services, Inc.
 ARCUS HealthyLiving Services, Inc.
 Associated Group, Inc.
 Behavioral Health Network, Inc.
 Blue Cross and Blue Shield of Georgia, Inc.
 Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.
 Blue Cross Blue Shield of Wisconsin
 Blue Cross of California
 Blue Cross of California Partnership Plan, Inc.
 CareMore Health Group, Inc.
 CareMore Health Plan
 CareMore Health Plan of Arizona, Inc.
 CareMore Health Plan of Colorado, Inc.
 CareMore Health Plan of Nevada
 CareMore Health Plan of Texas, Inc.
 CareMore Holdings, Inc.
 CareMore Medical Enterprises
 Cerulean Companies, Inc.
 CL I, Inc.
 CL II, Inc.
 CL III, Inc.
 Claim Management Services, Inc.
 Community Insurance Company
 CommunityConnect Health Plan of Pennsylvania, Inc.
 CompCare Health Services Insurance Corporation
 Crossroads Acquisition Corp
 DeCare Analytics, LLC
 DeCare Dental Health International, LLC
 DeCare Dental Networks, LLC
 DeCare Dental, LLC
 Designated Agent Company, Inc.
 EHC Benefits Agency, Inc.
 Empire HealthChoice Assurance, Inc.
 Empire HealthChoice HMO, Inc.
 EVISION, INC.
 Forty-Four Forty-Four Forest Park Redevelopment Corp
 Golden West Health Plan, Inc.
 Government Health Services, LLC
 Health Core, Inc.
 Health Management Corporation
 HealthKeepers, Inc.
 HealthLink HMO, Inc.
 HealthLink, Inc.
 Healthy Alliance Life Insurance Company
 HMO Colorado, Inc.
 HMO Missouri, Inc.
 Imaging Management Holdings, LLC
 Imaging Providers of Texas
 LENS 1ST HOLDING COMPANY
 Matthew Thornton Health Plan, Inc.
 National Capital Preferred Provider Organization, Inc.
 National Government Services, Inc.
 OneNation Insurance Company
 Park Square Holdings, Inc.
 Park Square I, Inc.
 Park Square II, Inc.
 PHP Holdings, Inc.
 R&P Realty, Inc.
 Rayant Insurance Company of New York
 Resolution Health, Inc.
 RightCHOICE Insurance Company
 RightCHOICE Managed Care, Inc.
 Rocky Mountain Hospital and Medical Service, Inc.
 SellCore, Inc.
 Southeast Services, Inc.
 State Sponsored Business UM Services, Inc.
 The WellPoint Companies of California, Inc.
 The WellPoint Companies, Inc.
 TrustSolutions, LLC
 UNICARE Health Insurance Company of the Midwest
 UNICARE Health Plan of Kansas, Inc.
 UNICARE Health Plan of West Virginia, Inc.
 UNICARE Health Plans of Texas, Inc.
 UNICARE Health Plans of the Midwest, Inc.
 UNICARE Illinois Services, Inc.
 UNICARE Life & Health Insurance Company
 UNICARE National Services, Inc.
 UNICARE Specialty Services, Inc.
 United Government Services, LLC
 UtiliMed IPA, Inc.
 WellPoint Behavioral Health, Inc.
 WellPoint California Services, Inc.
 WellPoint Dental Services, Inc.
 WellPoint Holding Corporation
 WellPoint Information Technology Services, Inc.
 WellPoint Insurance Services, Inc.
 WellPoint Merger Sub, Inc.
 WellPoint, Inc.

NOTES TO FINANCIAL STATEMENTS

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

A. Nature of the Relationship

The Company is a Missouri domiciled stock insurance company and is a wholly-owned subsidiary of HealthLink, Inc. which is a wholly-owned indirect subsidiary of WellPoint, Inc. ("WellPoint"), a publicly traded company.

B. Significant Transactions for Each Period

The following significant transactions took place between the Company and its affiliates:

The Board of Directors of the Company declared an extraordinary dividend in the amount of \$12,000,000 on March 7, 2012. The Department approved this dividend on April 9, 2012 and a payment was made to its parent, HealthLink, Inc., on April 11, 2012.

The Board of Directors of the Company declared an extraordinary dividend in the amount of \$12,000,000 on April 22, 2011. The Department approved this dividend on May 24, 2011 and a payment was made to its parent, HealthLink, Inc., on June 1, 2011.

C. Intercompany Management and Service Arrangements

There were no changes to intercompany management and service arrangements, and there were no additional arrangements entered into during 2012 or 2011. The amounts of transactions under such agreements are included in Schedule Y, Part 2.

D. Amounts Due To or From Related Parties

At December 31, 2012 and 2011, the Company reported \$321,270 and \$1,938,337 due from affiliates and \$76,388 and \$182,077 due to affiliates, respectively. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

E. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

F. Management and Service Agreements and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Direct costs include expenses such as salaries, employee benefits, communications, advertising, consulting services, maintenance, rent, utilities, and supplies which are directly attributable to the Company's operations. Allocated costs include expenses such as salaries, benefit claims and enrollment processing, billing, accounting, underwriting, product development and budgeting, which support the Company's operations. These costs are allocated based on various utilization statistics.

NOTES TO FINANCIAL STATEMENTS

G. Nature of Control Relationships that Could Affect Operations or Financial Position

HealthLink, Inc. owns all outstanding shares of the Company. The Company's ultimate parent is WellPoint.

H. Amount Deducted for Investment in Upstream Company

The Company and its subsidiaries do not own shares of upstream intermediate entities or WellPoint.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

At December 31, 2012 and 2011, the Company did not have investments in affiliates.

J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated Companies

Not applicable.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investment in Downstream Non-insurance Holding Companies

Not applicable.

11. Debt

A. Capital Notes

The Company had no capital notes outstanding at December 31, 2012 and 2011.

B. All Other Debt

The Company had no other debt outstanding at December 31, 2012 and 2011.

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

A. Defined Benefit Plan

Not applicable – See Note 12D.

B. Defined Contribution Plan

Not applicable – See Note 12D.

C. Multiemployer Plan

The Company does not participate in a multiemployer plan.

D. Consolidated/Holding Company Plans

The Company participates in the WellPoint Cash Balance Pension Plan (the "Plan") sponsored by ATH Holding Company, LLC ("ATH Holding"), a frozen non-contributory defined benefit pension plan covering most employee of WellPoint, Inc. and its subsidiaries. ATH Holding allocates a share of the total accumulated costs of the Plan to the Company based on the number of allocated

NOTES TO FINANCIAL STATEMENTS

employees. During 2012 and 2011, these costs totaled \$281 and \$5,217, respectively. The Company has no legal obligation for benefits under the Plan.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this benefit plan to the Company based on the number of allocated employees. During 2012 and 2011, these costs totaled \$4,548 and \$5,395, respectively. The Company has no legal obligation for the benefits under this plan.

The Company participates in various deferred compensation plans sponsored by WellPoint, Inc. which covers certain employees. The deferred amounts are payable according to the terms and subject to the conditions of said deferred compensation agreements. WellPoint allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees participating in the plan. During 2012 and 2011, these costs totaled \$713 and \$571, respectively. The Company has no legal obligation for benefits under this plan.

The Company participates in the WellPoint 401(K) Retirement Savings Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of the plans to the Company based on the number of allocated employees. During 2012 and 2011, these costs totaled \$21,022 and \$15,287, respectively. The Company has no legal obligation for benefits under this plan.

E. Post Employment Benefits and Compensated Absences

Liabilities for earned not yet taken vacation and severance benefits have been accrued as of December 31, 2012 and 2011.

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

Not applicable.

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

(1) Outstanding Shares

As of December 31, 2012, the Company has 300 shares of \$100 par value common stock authorized. The number of shares issued and outstanding is 10.

(2) Preferred Stock

The Company has no preferred stock outstanding.

NOTES TO FINANCIAL STATEMENTS

(3) Dividend Restrictions

Under Missouri law, there are certain restrictions on the payment of dividends by insurers in a holding company structure. It shall not be lawful for the directors, trustees or managers of any insurance company to make any dividend, except from the surplus profits arising from their business, nor for any company to solicit or do new business, when its assets are less than three-fourths of its liabilities. If the aggregate amount of the payments and other distributions made to shareholders and declared as dividends during a calendar year exceeds one-half percent of the policy owners' surplus, then all of the payments and distributions are fully subject to the rule, including amounts that would otherwise be exempt. In addition the distribution of an extraordinary dividend and payment of a dividend from other than earned surplus requires approval of the Director of the Department.

An extraordinary dividend is defined as one that exceeds the lesser of 10 percent of the insurer's surplus as regards policyholders as of the 31st day of December next preceding, or the net investment income for the twelve month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the insurer's own securities.

(4) Dividends Paid

See Footnote 10B.

(5) Maximum Ordinary Dividend During 2013

Within the limitations of (3) above, the Company may pay \$800,716 in dividends during 2013 without prior approval.

(6) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2012.

(7) Mutual Surplus Advances

Not applicable.

(8) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2012.

(9) Changes in Special Surplus Funds

There are no special surplus funds at December 31, 2012.

(10) Changes in Unassigned Funds

Unassigned funds were not impacted by cumulative unrealized gains and losses at December 31, 2012.

(11) Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

(12) Restatement due to Prior Quasi-reorganizations

The Company had no restatements due to prior quasi-reorganizations.

NOTES TO FINANCIAL STATEMENTS

(13) Quasi-reorganizations over Prior 10 Years

The Company has not been involved in a quasi-reorganization during the past 10 years.

14. Contingencies

A. Contingent Commitments

The Company has no contingent commitments at December 31, 2012.

B. Assessments

Not applicable.

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2012.

D. Claims-Related Extra Contractual Obligation and Bad Faith Losses Stemming From Lawsuits

Not applicable.

E. All Other Contingencies

The Company is involved in pending and threatened litigation of the character incidental to the business transacted, arising out of its operations and is from time to time involved as a party in various governmental and administrative proceedings. These investigations, audits and reviews include routine and special investigations by state insurance departments, state attorneys general, the U.S. Attorney General and Federal Agencies. Such investigations could result in the imposition of civil or criminal fines, penalties and other sanctions. The Company believes that any liability that may result from any one of these actions is unlikely to have a material adverse effect on the Company's financial position or results of operations.

15. Leases

The Company does not have any leasing arrangements.

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

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2012, there were no significant concentrations.

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

A. Transfers of Receivables Reported as Sales

Not applicable at December 31, 2012 and 2011.

NOTES TO FINANCIAL STATEMENTS

B. Transfer and Servicing of Financial Assets

Not applicable at December 31, 2012 and 2011.

C. Wash Sales

1. In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
2. At December 31, 2012 and 2011, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**A. Administrative Services Only ("ASO") Plans**

The gain/loss from operations from ASO uninsured plans and the uninsured portion of partially insured ASO plans during 2012 was:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 13,835,822	\$ -	\$ 13,835,822
b. Total net other income or expenses (including interest paid to or received from plans)	-	-	-
c. Net gain or (loss) from operations	\$ 13,835,822	\$ -	\$ 13,835,822
d. Total claim payment volume	\$ 16,604,910	\$ -	\$ 16,604,910

B. Administrative Services Contract Plans

Not applicable at December 31, 2012 and 2011.

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

Not applicable at December 31, 2012 and 2011.

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2012 and 2011.

20. Fair Value Measurements

- A. There are no assets or liabilities measured at fair value as of December 31, 2012 and 2011.

B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2012 and 2011.

NOTES TO FINANCIAL STATEMENTS

C. Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 14,790,755	\$ 14,506,078	\$ 11,176,220	\$ 3,614,535	\$ -	\$ -
Short term investments	236,686	236,686	236,686			

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate fair value.

21. Other Items**A. Extraordinary Items**

Not applicable at December 31, 2012 and 2011.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2012 and 2011.

C. Other Disclosures

Assets in the amount of \$1,249,438 and \$1,262,031 at December 31, 2012 and 2011, respectively, were on deposit with government authorities or trustees as required by law.

D. Uncollectible Premium Receivables

At December 31, 2012 the Company has no reported admitted assets in premium receivables due from policyholders and agents and in receivables due from uninsured plans. At December 31, 2011 the Company has \$88,708 in premium receivables due from policyholders and agents and in receivables due from uninsured plans. Based upon the Company's experience, no additional provision for uncollectible amounts have been recorded.

E. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2012 and 2011.

F. State Transferable Tax Credits

The Company did not have state transferable tax credits at December 31, 2012 and 2011.

G. Subprime Mortgage-Related Risk Exposure

1. The Company consults with its external investment managers to assess its subprime mortgage-related risk exposure. The general categories of information considered in determining exposure are collateral and the structure of the security. Other categories considered in determining the exposure include loan purpose, loan documentation, occupancy, geographical location, loan size and loan type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans.

NOTES TO FINANCIAL STATEMENTS

2. At December 31, 2012, the Company did not carry investments in subprime mortgage loans in its portfolio.
3. At December 31, 2012, the Company's investment portfolio did not contain investments with subprime mortgage-related risk exposure.
4. The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2012.

H. Retained Assets

The Company did not have any retained assets at December 31, 2012 and 2011.

22. Events Subsequent

There were no events occurring subsequent to December 31, 2012 requiring disclosure. Subsequent events have been considered through February 25, 2013 for the statutory statement issued on February 25, 2013.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers that are 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 an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

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

Yes () No (X)

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

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that

NOTES TO FINANCIAL STATEMENTS

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.

\$11,639

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 Company has no uncollectible reinsurance at December 31, 2012 and 2011.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2012 and 2011.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. – C.

Not applicable.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

The Company has no medical loss ratio rebate accrual information to report for the years ended December 31, 2012 and 2011.

25. Change in Incurred Claims and Claim Adjustment Expenses

Not applicable.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2012 and 2011.

27. Structured Settlements

Not applicable at December 31, 2012 and 2011.

NOTES TO FINANCIAL STATEMENTS

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	Rebates Received More Than 180 Days After Billing
12/31/2012	\$ (392)	\$ 17,564	\$ -	\$ -	\$ -
9/30/2012	(4,784)	20,088	-	-	-
6/30/2012	(8,559)	18,523	-	23,709	-
3/31/2012	(4,994)	20,408	-	23,526	887
12/31/2011	1,925	21,130	-	26,723	544
9/30/2011	1,062	21,467	-	27,653	2,073
6/30/2011	(607)	18,312	-	27,465	705
3/31/2011	-	18,170	-	25,573	4,434
12/31/2010	-	-	-	-	-
9/30/2010	-	-	-	-	-
6/30/2010	-	-	-	-	-
3/31/2010	-	-	-	-	-

B. Risk Sharing Receivables

Not applicable at December 31, 2012 and 2011.

29. Participating Policies

Not applicable at December 31, 2012 and 2011.

30. Premium Deficiency Reserves

The Company did not record premium deficiency reserves at December 31, 2012 and 2011.

31. Anticipated Subrogation and Other Recoveries

Not applicable at December 31, 2012 and 2011.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Missouri
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012
- 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. 12/31/2007
- 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). 03/21/2009
- 3.4 By what department or departments?
Missouri Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 111 Monument Circle, Suite 2600, Indianapolis, IN 46204
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain
.....
- 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Cheryl Allari, FSA, MAAA, Actuarial Director (employee); 4361 Irwin Simpson Road, Mason, OH 45040
- 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 []
- 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).
.....

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|---|----|--|
| 20.11 To directors or other officers..... | \$ | |
| 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 [] No [X]
- 22.2 If answer is yes:
- | | | |
|---|----|--|
| 22.21 Amount paid as losses or risk adjustment \$ | | |
| 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 [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 3,445

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)..... Yes [] No [X]
- 24.02 If no, give full and complete information relating thereto
The Company has securities on deposit with various State Department of Insurance Offices.
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

GENERAL INTERROGATORIES

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$	0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$	0
24.103 Total payable for securities lending reported on the liability page.....	\$	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [] No []

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

25.21 Subject to repurchase agreements	\$	
25.22 Subject to reverse repurchase agreements	\$	
25.23 Subject to dollar repurchase agreements	\$	
25.24 Subject to reverse dollar repurchase agreements	\$	
25.25 Pledged as collateral	\$	
25.26 Placed under option agreements	\$	
25.27 Letter stock or other securities restricted as to sale	\$	
25.28 On deposit with state or other regulatory body	\$	1,249,438
25.29 Other	\$	

25.3 For category (25.27) 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 31 of the current year. \$

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 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
The Bank of New York Mellon Corporation	New York, NY

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, brokers/dealers or individuals acting on behalf of brokers/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 Number(s)	2 Name	3 Address
113878	McDonnell Investment Management, LLC	Oak Brook, IL

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]
- 29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	14,742,763	15,027,441	284,678
30.2 Preferred stocks	0		0
30.3 Totals	14,742,763	15,027,441	284,678

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

Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.

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

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

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

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

- 32.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES

OTHER

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

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?\$7,525

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. \$ _____

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. \$ _____ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$ _____ 0

1.62 Total incurred claims \$ _____ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned \$ _____ 0

1.65 Total incurred claims \$ _____ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$ _____ 0

1.72 Total incurred claims \$ _____ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ _____ 0

1.75 Total incurred claims \$ _____ 0

1.76 Number of covered lives 0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	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:
HealthLink HMO ceded the risk to the contracted Payor, who may carry stop-loss reinsurance.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical \$ _____

5.32 Medical Only \$ _____

5.33 Medicare Supplement \$ _____

5.34 Dental & 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:
All HealthLink HMO provider agreements include Hold Harmless provisions that prohibit pursuit of collection activities against HMO members for HMO covered services.

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

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 30,147

8.2 Number of providers at end of reporting year 35,325

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

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months. \$ _____

9.22 Business with rate guarantees over 36 months \$ _____

GENERAL INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses.....\$
- 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 [] 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 Minimum Net Worth Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such net worth. Missouri
- 11.4 If yes, show the amount required. \$ 300,000
- 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
BENTON, AR; CARROLL, AR; CRAIGHEAD, AR; CRAWFORD, AR; GARLAND, AR; INDEPENDENCE, AR;
JACKSON, AR; LOGAN, AR; PULASKI, AR; RANDOLPH, AR; SALINE, AR; SEBASTIAN, AR;
SHARP, AR; WASHINGTON, AR; WHITE, AR; ALEXANDER, IL; BOND, IL; CALHOUN, IL;
CASS, IL; CHRISTIAN, IL; CLAY, IL; CLINTON, IL; DE WITT, IL; FAYETTE, IL;
FRANKLIN, IL; FULTON, IL; GALLATIN, IL; GREENE, IL; HAMILTON, IL; HARDIN, IL;
JACKSON, IL; JEFFERSON, IL; JERSEY, IL; JOHNSON, IL; KNOX, IL; LOGAN, IL;
MACON, IL; MACOUPIN, IL; MADISON, IL; MARION, IL; MARSHALL, IL; MASON, IL;
MASSAC, IL; MENARD, IL; MONROE, IL; MONTGOMERY, IL; MORGAN, IL; MOULTRIE, IL;
PEORIA, IL; PERRY, IL; PIATT, IL; POPE, IL; PULASKI, IL; PUTNAM, IL;
RANDOLPH, IL; SALINE, IL; SANGAMON, IL; SCOTT, IL; ST. CLAIR, IL; STARK, IL;
TAZEWELL, IL; UNION, IL; WASHINGTON, IL; WAYNE, IL; WILLIAMSON, IL; WOODFORD, IL;
ADAIR, MO; AUDRAIN, MO; BARRY, MO; BOONE, MO; CALLAWAY, MO; CAMDEN, MO;
CHARITON, MO; CHRISTIAN, MO; CLARK, MO; COLE, MO; COOPER, MO; CRAWFORD, MO;
DADE, MO; DALLAS, MO; DOUGLAS, MO; DUNKLIN, MO; FRANKLIN, MO; GASCONADE, MO;
GREENE, MO; HOWARD, MO; IRON, MO; JASPER, MO; JEFFERSON, MO; KNOX, MO;
LACLEDE, MO; LAWRENCE, MO; LEWIS, MO; LINCOLN, MO; LINN, MO; MACON, MO;
MADISON, MO; MARIES, MO; MCDONALD, MO; MILLER, MO; MONITEAU, MO; MONROE, MO;
MONTGOMERY, MO; MORGAN, MO; NEW MADRID, MO; NEWTON, MO; OSAGE, MO; PEMISCOT, MO;
PERRY, MO; PETTIS, MO; PIKE, MO; PUTNAM, MO; RANDOLPH, MO; SALINE, MO;
SCHUYLER, MO; SCOTLAND, MO; ST. CHARLES, MO; ST. FRANCOIS, MO; ST. LOUIS, MO; ST. LOUIS CITY, MO;
STE. GENEVIEVE, MO; STONE, MO; SULLIVAN, MO; WARREN, MO; WASHINGTON, MO; WEBSTER, MO;
WRIGHT, MO;

- 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. \$
- 13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 13.4 If yes, please provide the balance of funds administered as of the reporting date. \$

FIVE-YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	18,313,673	19,449,966	21,920,768	23,620,992	26,700,640
2. Total liabilities (Page 3, Line 24)	1,546,000	1,455,515	1,129,577	653,462	2,340,837
3. Statutory surplus	300,000	300,000	300,000	300,000	300,000
4. Total capital and surplus (Page 3, Line 33)	16,767,673	17,994,451	20,791,191	22,967,530	24,359,804
Income Statement (Page 4)					
5. Total revenues (Line 8)	35,654	17,644	36,602	100,341	143,914
6. Total medical and hospital expenses (Line 18)	0	0	0	0	5,181
7. Claims adjustment expenses (Line 20)	962,967	767,417	694,719	247,709	64,874
8. Total administrative expenses (Line 21)	(14,798,790)	(15,184,104)	(16,283,675)	(16,998,629)	(17,363,183)
9. Net underwriting gain (loss) (Line 24)	13,871,477	14,434,331	15,625,558	16,851,261	17,437,042
10. Net investment gain (loss) (Line 27)	943,855	811,598	761,851	746,249	1,002,964
11. Total other income (Lines 28 plus 29)	0	(800)	40,000	0	0
12. Net income or (loss) (Line 32)	9,698,109	9,918,091	10,689,657	11,451,080	11,981,844
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	10,135,839	10,209,184	10,658,499	9,717,703	13,690,060
Risk-Based Capital Analysis					
14. Total adjusted capital	16,767,673	17,994,451	20,791,191	22,967,530	24,359,804
15. Authorized control level risk-based capital	29,616	32,536	774,310	775,418	757,242
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	11	15	21	21	22
17. Total members months (Column 6, Line 7)	147	240	252	261	264
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	0.0	0.0	0.0	0.0	4.9
20. Cost containment expenses	0.0	0.0	0.0	327.6	56.4
21. Other claims adjustment expenses	0.0	0.0	0.0	2.3	4.8
22. Total underwriting deductions (Line 23)	0.0	0.0	0.0	(22,313.7)	(16,311.7)
23. Total underwriting gain (loss) (Line 24)	0.0	0.0	0.0	22,447.4	16,447.4
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)				0	5,181
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]				0	0
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)		0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					0
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate					
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

States, etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	N							0	
2. Alaska	AK	N							0	
3. Arizona	AZ	N							0	
4. Arkansas	AR	L							0	
5. California	CA	N							0	
6. Colorado	CO	N							0	
7. Connecticut	CT	N							0	
8. Delaware	DE	N							0	
9. District of Columbia	DC	N							0	
10. Florida	FL	N							0	
11. Georgia	GA	N							0	
12. Hawaii	HI	N							0	
13. Idaho	ID	N							0	
14. Illinois	IL	L							0	
15. Indiana	IN	N							0	
16. Iowa	IA	N							0	
17. Kansas	KS	N							0	
18. Kentucky	KY	N							0	
19. Louisiana	LA	N							0	
20. Maine	ME	N							0	
21. Maryland	MD	N							0	
22. Massachusetts	MA	N							0	
23. Michigan	MI	N							0	
24. Minnesota	MN	N							0	
25. Mississippi	MS	N							0	
26. Missouri	MO	L	34,631						34,631	
27. Montana	MT	N							0	
28. Nebraska	NE	N							0	
29. Nevada	NV	N							0	
30. New Hampshire	NH	N							0	
31. New Jersey	NJ	N							0	
32. New Mexico	NM	N							0	
33. New York	NY	N							0	
34. North Carolina	NC	N							0	
35. North Dakota	ND	N							0	
36. Ohio	OH	N							0	
37. Oklahoma	OK	N							0	
38. Oregon	OR	N							0	
39. Pennsylvania	PA	N							0	
40. Rhode Island	RI	N							0	
41. South Carolina	SC	N							0	
42. South Dakota	SD	N							0	
43. Tennessee	TN	N							0	
44. Texas	TX	N							0	
45. Utah	UT	N							0	
46. Vermont	VT	N							0	
47. Virginia	VA	N							0	
48. Washington	WA	N							0	
49. West Virginia	WV	N							0	
50. Wisconsin	WI	N							0	
51. Wyoming	WY	N							0	
52. American Samoa	AS	N							0	
53. Guam	GU	N							0	
54. Puerto Rico	PR	N							0	
55. U.S. Virgin Islands	VI	N							0	
56. Northern Mariana Islands	MP	N							0	
57. Canada	CAN	N							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		34,631	0	0	0	0	0	34,631	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 3		34,631	0	0	0	0	0	34,631	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	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.

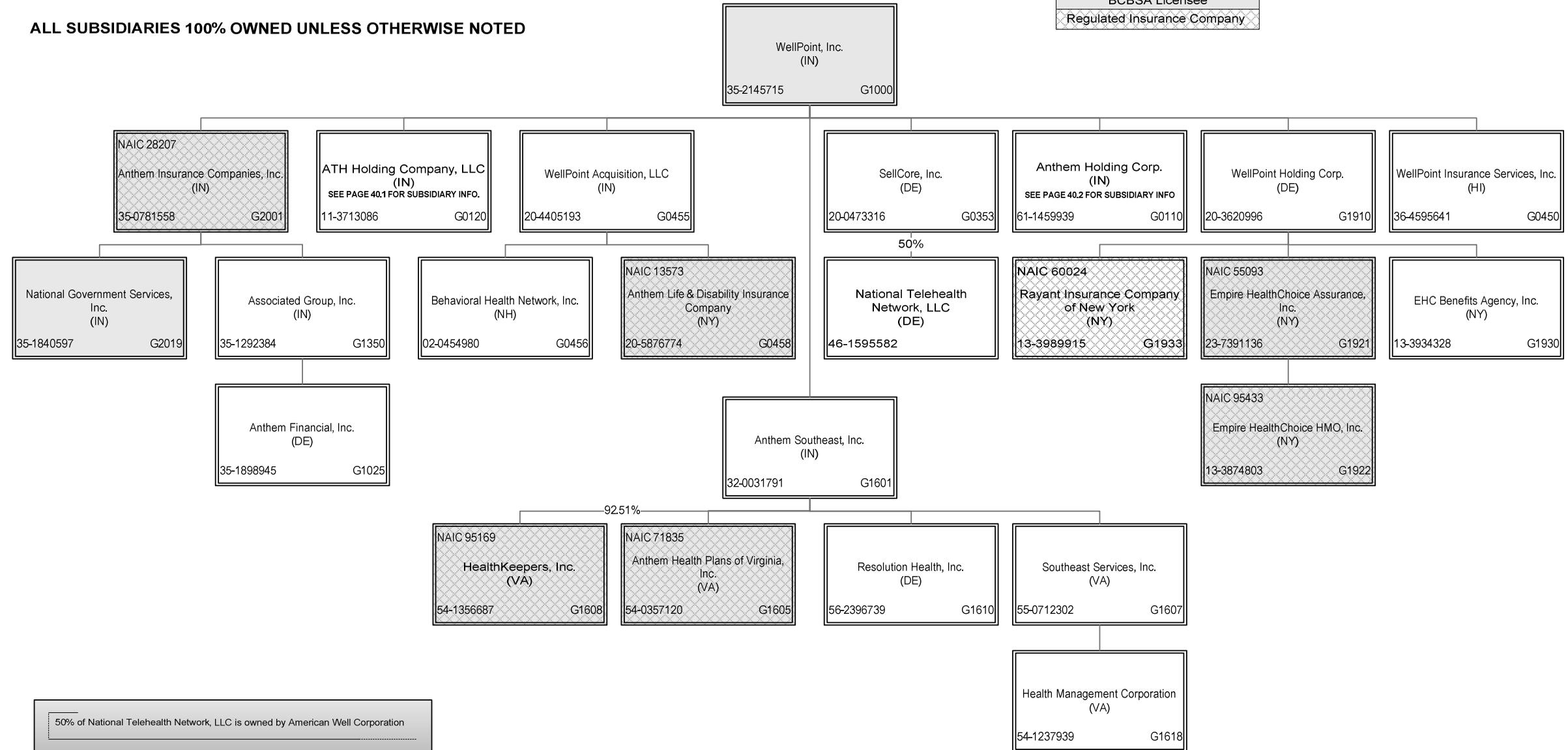
Premium amounts are allocated based on residence of insured.

(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**

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

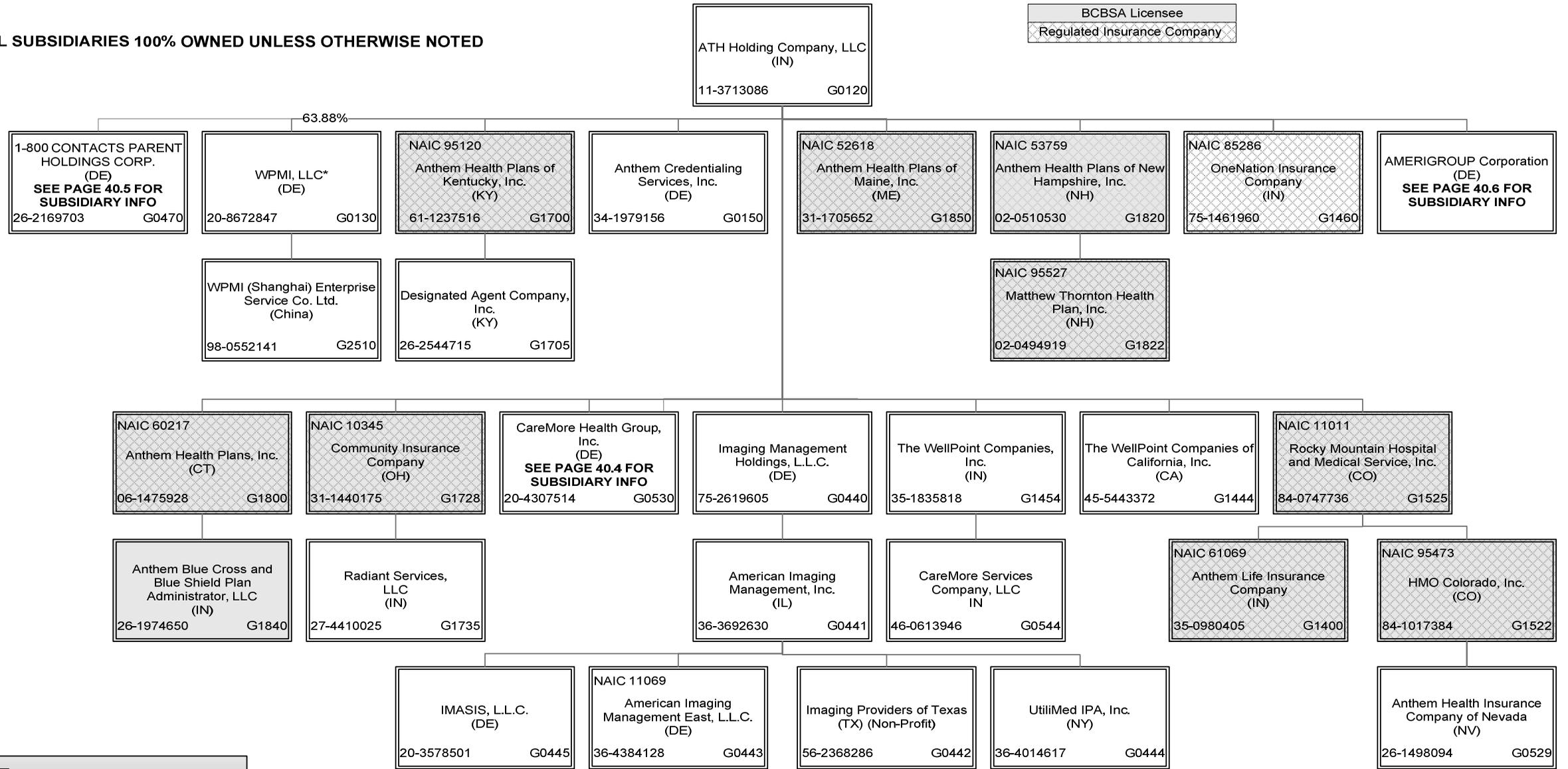
BCBSA Licensee
Regulated Insurance Company



50% of National Telehealth Network, LLC is owned by American Well Corporation

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART**

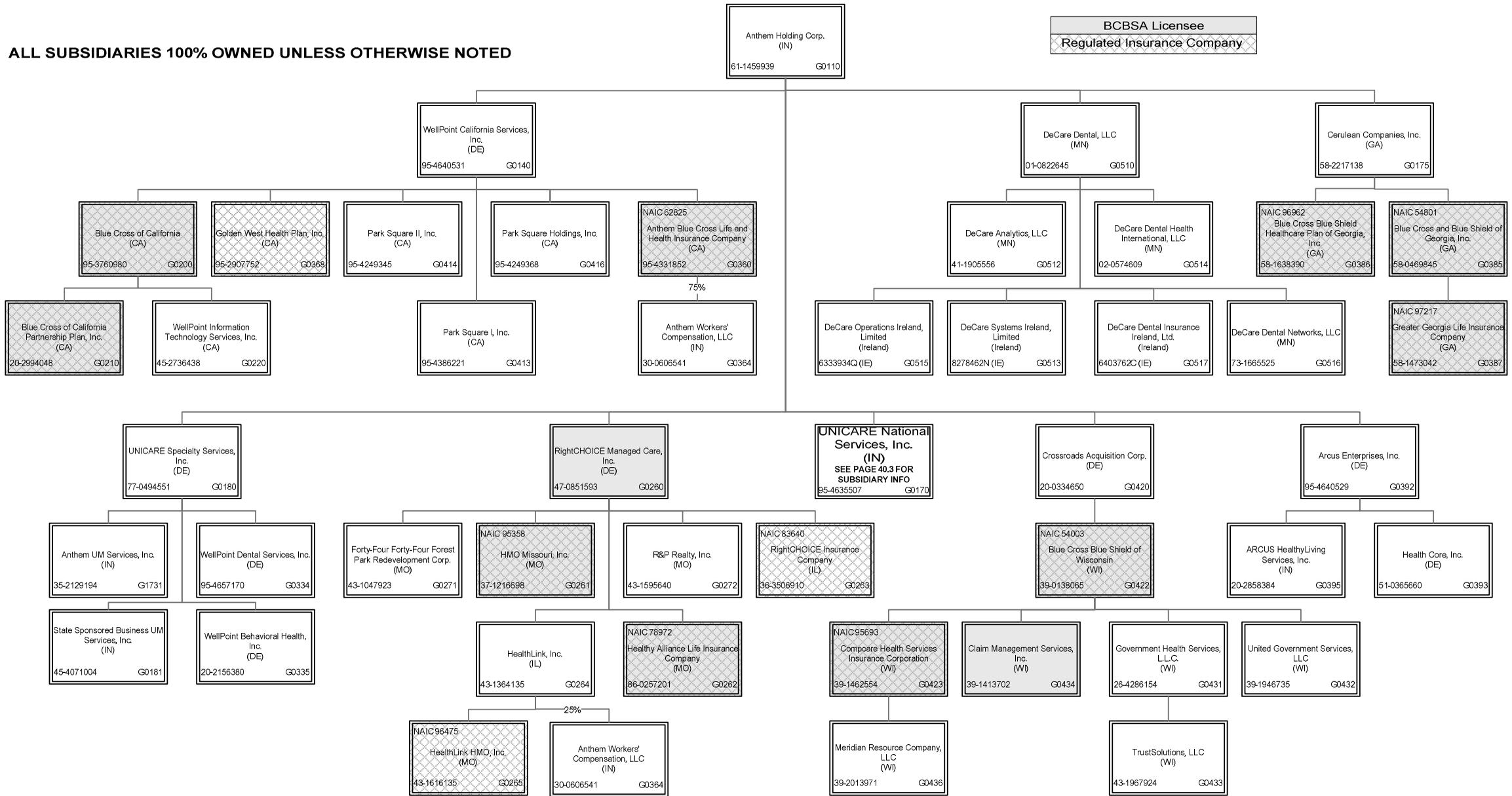
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



*36.12 of WPMI, LLC is owned by unaffiliated investors

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART**

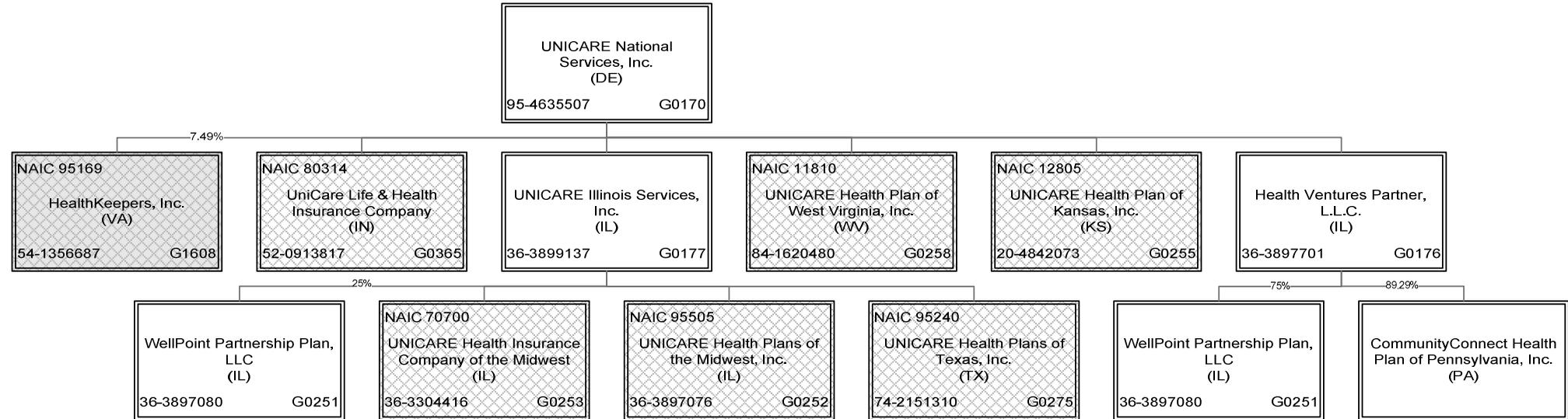
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART**

BCBSA Licensee
Regulated Insurance Company

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

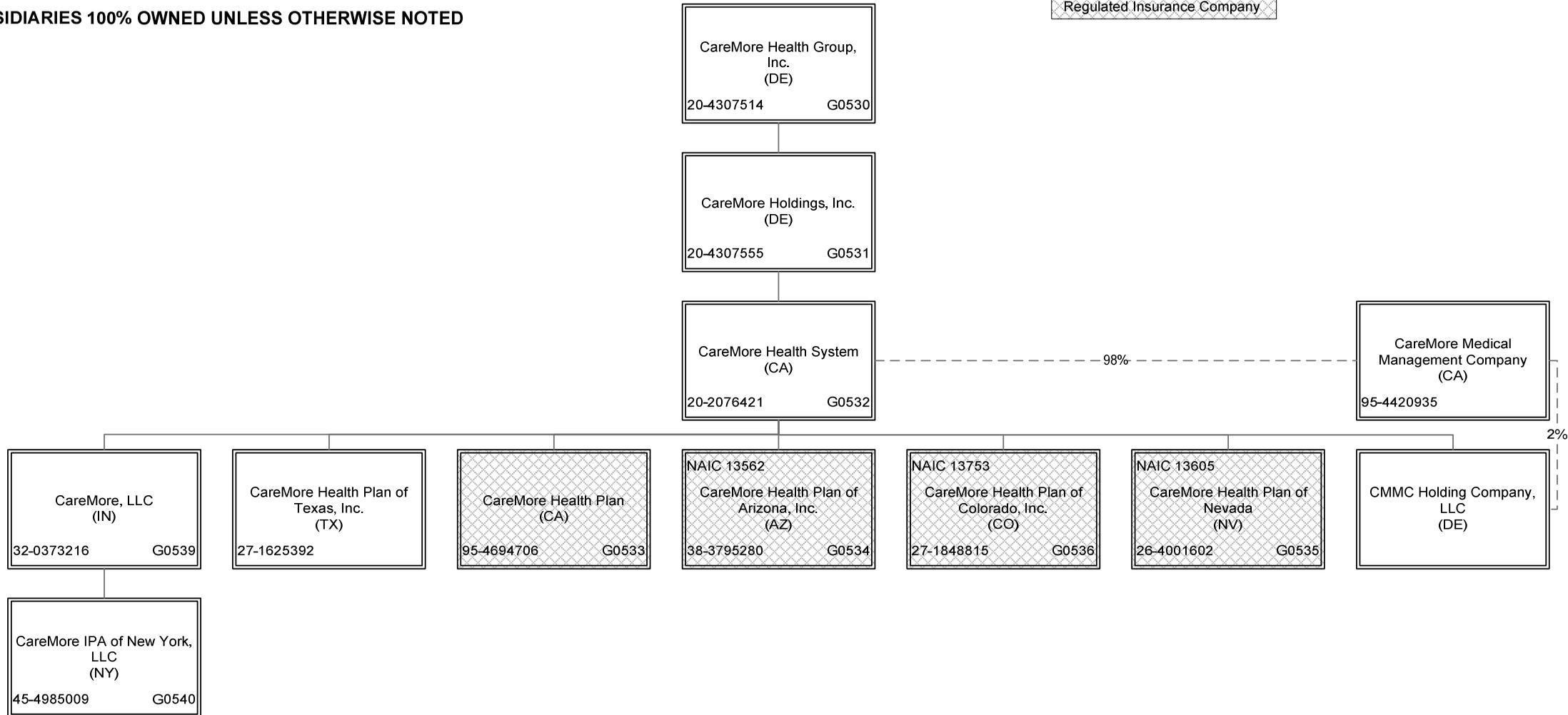


*10.71% of CommunityConnect Health Plan of Pennsylvania, Inc. is owned by unaffiliated investors

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART**

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company

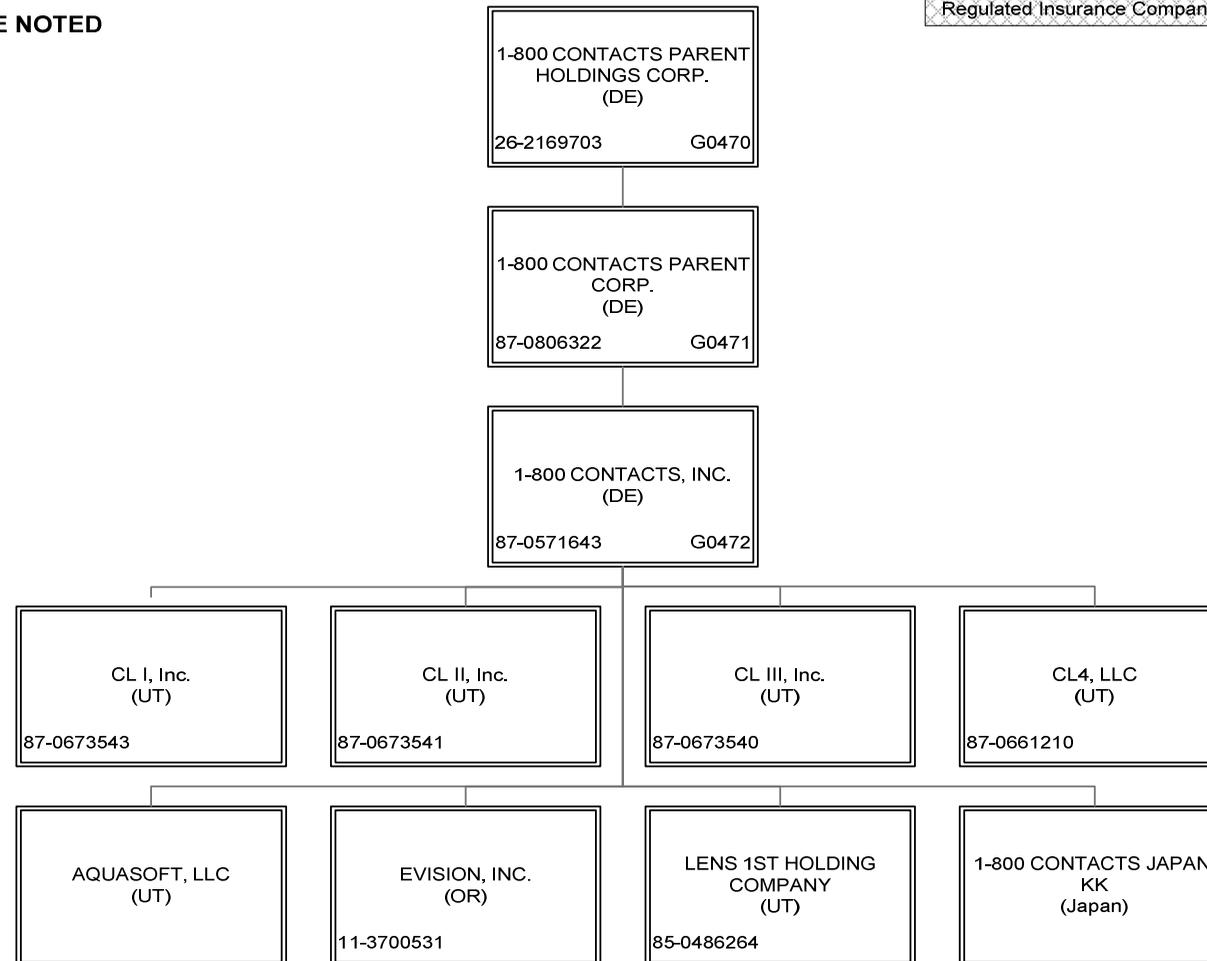


40.4

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART**

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company



**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART**

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company

AMERIGROUP Corporation
(DE)
G0601



40.6

OVERFLOW PAGE FOR WRITE-INS

NONE

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