



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2013
 OF THE CONDITION AND AFFAIRS OF THE

COVENTRY HEALTH CARE OF KANSAS, INC.

NAIC Group Code 00001 , 1137 NAIC Company Code 95489 Employer's ID Number 48-0840330
(Current Period) (Prior Period)

Organized under the Laws of Kansas , State of Domicile or Port of Entry Kansas
 Country of Domicile United States

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

Incorporated/Organized 01/02/1976 Commenced Business 10/01/1981

Statutory Home Office 9401 Indian Creek Parkway, Ste 1300 , Overland Park, KS, US 66210
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 9401 Indian Creek Parkway, Ste 1300
(Street and Number)
Overland Park, KS, US 66210 913-202-5400
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 9401 Indian Creek Parkway, Ste 1300 , Overland Park, KS, US 66210
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 9401 Indian Creek Parkway, Ste 1300
(Street and Number)
Overland Park, KS, US 66210 913-202-5400
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Web Site Address www.chckansas.com

Statutory Statement Contact Scott D. Merry , 913-202-5400
(Name) (Area Code) (Telephone Number) (Extension)
sdmerry@cvty.com 816-460-4086
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
<u>Bradley Jay Clothier</u>	<u>President</u>	<u>Elaine Rose Cofrancesco</u>	<u>Vice President and Treasurer</u>
<u>Edward Chung-I Lee</u>	<u>Secretary</u>	<u>Randy Curtis Oursler</u>	<u>Actuary</u>

OTHER OFFICERS

<u>John Joseph Ruhlmann</u>	<u>Corporate Controller</u>	<u>David William Dickson</u>	<u>CFO, Vice President</u>
<u>James Harmon Utley</u>	<u>Senior Medical Director</u>		

DIRECTORS OR TRUSTEES

<u>Andrew Lynn Asher</u>	<u>Michael Gene Murphy</u>	<u>Bradley Jay Clothier</u>
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State of **SS**
 County of

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

Bradley Jay Clothier
 President

Elaine Rose Cofrancesco
 Vice President and Treasurer

Edward Chung-I Lee
 Secretary

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

- 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 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, 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).....	126,186,660		126,186,660	105,713,312
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		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 (\$44,839,049 , Schedule E-Part 1), cash equivalents (\$1,755,616 , Schedule E-Part 2) and short-term investments (\$148 , Schedule DA).....	46,594,812		46,594,812	80,605,073
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	0		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)	172,781,472	0	172,781,472	186,318,384
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	1,036,066		1,036,066	1,057,025
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	4,968,264		4,968,264	16,419,722
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.....	13,593,775		13,593,775	24,412,914
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	119,364		119,364	839,862
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	438,627		438,627	150,017
18.1 Current federal and foreign income tax recoverable and interest thereon	2,713,642		2,713,642	2,401,654
18.2 Net deferred tax asset.....	21,854,097	13,203,263	8,650,834	7,003,213
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....	5,074	5,074	0	0
21. Furniture and equipment, including health care delivery assets (\$)	4,543,736	4,543,736	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	133,561	12,554	121,007	3,302,200
24. Health care (\$) and other amounts receivable.....	386,623	386,623	0	5,728,800
25. Aggregate write-ins for other than invested assets	1,935,804	1,935,804	0	462,174
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	224,510,104	20,087,054	204,423,051	248,095,965
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	224,510,104	20,087,054	204,423,051	248,095,965
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaids.....	1,935,804	1,935,804	0	0
2502. State Tax Receivable.....			0	462,174
2503.			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,935,804	1,935,804	0	462,174

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$1,689,511 reinsurance ceded)	39,436,015	2,941,461	42,377,476	88,562,997
2. Accrued medical incentive pool and bonus amounts	3,189,528		3,189,528	1,359,183
3. Unpaid claims adjustment expenses	671,701		671,701	1,236,397
4. Aggregate health policy reserves, including the liability of \$ 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	277,653		277,653	0
8. Premiums received in advance	7,873,542		7,873,542	7,548,743
9. General expenses due or accrued	17,482,383		17,482,383	14,578,709
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others	11,781,376		11,781,376	9,263,659
13. Remittances and items not allocated	1,588,874		1,588,874	905,482
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	794,108		794,108	6,270,235
16. Derivatives			0	0
17. Payable for securities	117,956		117,956	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ 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	786,483		786,483	464,997
23. Aggregate write-ins for other liabilities (including \$ current)	1,974,531	0	1,974,531	4,172,637
24. Total liabilities (Lines 1 to 23)	85,974,150	2,941,461	88,915,611	134,363,039
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	5,000	5,000
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	172,771,800	172,771,800
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(57,269,361)	(59,043,874)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	115,507,439	113,732,926
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	204,423,051	248,095,965
DETAILS OF WRITE-INS				
2301. Office of Personnel Management Liability	1,148,056		1,148,056	3,409,485
2302. Escheat Liability	826,475		826,475	763,151
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	1,974,531	0	1,974,531	4,172,637
2501.	XXX	XXX		0
2502.	XXX	XXX		0
2503.	XXX	XXX		0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		0
3002.	XXX	XXX		0
3003.	XXX	XXX		0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 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	1,287,646	3,339,122
2. Net premium income (including \$0 non-health premium income).....	XXX	699,637,188	1,040,175,341
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	42,400	21,707
7. Aggregate write-ins for other non-health revenues	XXX	0	14,808
8. Total revenues (Lines 2 to 7)	XXX	699,679,587	1,040,211,856
Hospital and Medical:			
9. Hospital/medical benefits		295,569,938	555,868,184
10. Other professional services		7,146,710	19,013,502
11. Outside referrals	25,119,553	25,119,553	58,683,802
12. Emergency room and out-of-area		13,942,759	9,331,943
13. Prescription drugs		88,965,736	145,976,734
14. Aggregate write-ins for other hospital and medical.....0		3,433,407	4,565,157
15. Incentive pool, withhold adjustments and bonus amounts.....		3,947,966	1,628,642
16. Subtotal (Lines 9 to 15)	25,119,553	438,126,069	795,067,965
Less:			
17. Net reinsurance recoveries		(142,782,012)	(126,478,133)
18. Total hospital and medical (Lines 16 minus 17)	25,119,553	580,908,081	921,546,097
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$8,298,236 cost containment expenses.....		35,236,492	34,846,129
21. General administrative expenses.....		44,214,639	72,483,677
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....0		0	0
23. Total underwriting deductions (Lines 18 through 22)	25,119,553	660,359,212	1,028,875,904
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	39,320,376	11,335,953
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		2,709,487	3,434,460
26. Net realized capital gains (losses) less capital gains tax of \$666,633		1,087,002	(44,397,297)
27. Net investment gains (losses) (Lines 25 plus 26)	0	3,796,489	(40,962,837)
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$121,616)].....		(121,616)	(125,525)
29. Aggregate write-ins for other income or expenses	0	(36,824)	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	42,958,426	(29,752,409)
31. Federal and foreign income taxes incurred	XXX	9,053,516	(20,344)
32. Net income (loss) (Lines 30 minus 31)	XXX	33,904,909	(29,732,065)
DETAILS OF WRITE-INS			
0601. Non Medical Income.....	XXX	42,400	21,707
0602.	XXX		0
0603.	XXX		0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	42,400	21,707
0701. Gain on disposal of fixed assets.....	XXX		14,808
0702.	XXX		0
0703.	XXX		0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	14,808
1401. Other Medical Expenses.....		3,433,407	4,565,157
1402.			0
1403.			0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	3,433,407	4,565,157
2901. Loss on Disposal of Fixed Assets.....		(36,824)	0
2902.			0
2903.			0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	(36,824)	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	113,732,926	114,507,645
34. Net income or (loss) from Line 32	33,904,909	(29,732,065)
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(98,315)	0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	3,244,912	12,729,666
39. Change in nonadmitted assets	(3,228,592)	(8,249,254)
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		204,984
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	24,271,950
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders	(29,700,000)	0
47. Aggregate write-ins for gains or (losses) in surplus	(2,348,401)	0
48. Net change in capital and surplus (Lines 34 to 47)	1,774,513	(774,719)
49. Capital and surplus end of reporting year (Line 33 plus 48)	115,507,439	113,732,926
DETAILS OF WRITE-INS		
4701. Change in Non Admits of I/C Balance - Prior Year.....	(2,348,401)	0
4702. Correction of Deferred Income Taxes in Prior Period.....	572,210	0
4703. Correction of Non Admit DTA in Prior Period.....	(572,210)	0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	(2,348,401)	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	722,232,584	1,014,514,135
2. Net investment income	3,574,693	4,229,438
3. Miscellaneous income	42,400	36,515
4. Total (Lines 1 through 3)	725,849,677	1,018,780,089
5. Benefit and loss related payments	624,265,106	878,559,726
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	77,237,716	104,558,832
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	10,032,137	(283,539)
10. Total (Lines 5 through 9)	711,534,960	982,835,019
11. Net cash from operations (Line 4 minus Line 10)	14,314,717	35,945,070
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	91,188,343	42,235,770
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	72	1
12.7 Miscellaneous proceeds	266,395	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	91,454,810	42,235,771
13. Cost of investments acquired (long-term only):		
13.1 Bonds	110,850,687	41,914,016
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	148,442	45,639,299
13.7 Total investments acquired (Lines 13.1 to 13.6)	110,999,129	87,553,315
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)	(19,544,319)	(45,317,544)
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	24,271,950
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	29,700,000	0
16.6 Other cash provided (applied)	919,346	(9,422,342)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(28,780,654)	14,849,608
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)	(34,010,256)	5,477,134
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	80,605,068	75,127,935
19.2 End of year (Line 18 plus Line 19.1)	46,594,812	80,605,068

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, 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	699,637,188	334,375,125	0	0	0	36,982,719	327,989,348	289,996	0	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	42,400	42,400	0	0	0	0	0	0	0	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)	699,679,587	334,417,524	0	0	0	36,982,719	327,989,348	289,996	0	0
8. Hospital/medical benefits	295,569,938	186,467,164				24,118,778	89,996,695	(5,012,699)		XXX
9. Other professional services	7,146,710	4,508,668				583,178	2,176,068	(121,204)		XXX
10. Outside referrals	25,119,553	15,847,254				2,049,779	7,648,534	(426,013)		XXX
11. Emergency room and out-of-area	13,942,759	8,796,114				1,137,742	4,245,365	(236,461)		XXX
12. Prescription drugs	88,965,736	56,126,102				7,259,686	27,088,757	(1,508,809)		XXX
13. Aggregate write-ins for other hospital and medical	3,433,407	2,166,045	0	0	0	280,169	1,045,422	(58,229)	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	3,947,966	3,127,435					820,531			XXX
15. Subtotal (Lines 8 to 14)	438,126,069	277,038,781	0	0	0	35,429,332	133,021,372	(7,363,415)	0	XXX
16. Net reinsurance recoveries	(142,782,012)	2,957,288				439,340	(145,001,660)	(1,176,980)		XXX
17. Total hospital and medical (Lines 15 minus 16)	580,908,081	274,081,494	0	0	0	34,989,991	278,023,032	(6,186,435)	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 8,298,236 cost containment expenses	35,236,492	28,229,625				2,396,341	4,823,626	(213,100)		
20. General administrative expenses	44,214,639	27,025,234				2,294,103	4,617,831	3,220,651	7,056,820	
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)	660,359,212	329,336,352	0	0	0	39,680,435	287,464,488	(3,178,885)	7,056,820	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	39,320,376	5,081,172	0	0	0	(2,697,717)	40,524,860	3,468,881	(7,056,820)	0
DETAILS OF WRITE-INS										
0501. Non Medical Income	42,400	42,400								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 through 0503 plus 0598) (Line 5 above)	42,400	42,400	0	0	0	0	0	0	0	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 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301. Other Medical Expenses	3,433,407	2,166,045				280,169	1,045,422	(58,229)		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 through 1303 plus 1398) (Line 13 above)	3,433,407	2,166,045	0	0	0	280,169	1,045,422	(58,229)	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

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)	338,907,489		4,532,364	334,375,125
2. Medicare Supplement .....				.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan	37,484,010		501,291	36,982,719
6. Title XVIII - Medicare	156,944,710	171,712,465	667,826	327,989,348
7. Title XIX - Medicaid.....	285,091		(4,905)	289,996
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	533,621,299	171,712,465	5,696,576	699,637,188
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	533,621,299	171,712,465	5,696,576	699,637,188

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

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	480,039,961	288,936,688				35,930,885	132,502,740	22,669,648		
1.2 Reinsurance assumed	146,149,384						146,149,384			
1.3 Reinsurance ceded	4,041,858	2,617,367				329,008	915,388	180,095		
1.4 Net	622,147,487	286,319,322	0	0	0	35,601,876	277,736,736	22,489,553	0	0
2. Paid medical incentive pools and bonuses	2,117,621	1,346,765					770,856			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	44,066,987	26,288,465	0	0	0	2,320,693	13,577,204	1,880,624	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	1,689,511	1,215,813	0	0	0	129,334	344,363	0	0	0
3.4 Net	42,377,476	25,072,652	0	0	0	2,191,359	13,232,841	1,880,624	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	277,653	104,051				11,069	162,533			
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	277,653	104,051	0	0	0	11,069	162,533	0	0	0
5. Accrued medical incentive pools and bonuses, current year	3,189,528	2,917,269					272,259			
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	119,364	34,527					84,837			
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	90,206,497	41,417,858	0	0	0	2,833,315	14,041,637	31,913,687	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	1,643,500	234,222	0	0	0	19,002	33,200	1,357,075	0	0
8.4 Net	88,562,997	41,183,636	0	0	0	2,814,313	14,008,436	30,556,612	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	1,359,183	1,136,599	0	0	0	0	222,584	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	839,861	676,197	0	0	0	0	163,664	0	0	0
12. Incurred benefits:										
12.1 Direct	434,178,104	273,911,347	0	0	0	35,429,332	132,200,841	(7,363,415)	0	0
12.2 Reinsurance assumed	146,149,384	0	0	0	0	0	146,149,384	0	0	0
12.3 Reinsurance ceded	3,367,373	2,957,288	0	0	0	439,340	1,147,724	(1,176,980)	0	0
12.4 Net	576,960,115	270,954,059	0	0	0	34,989,991	277,202,500	(6,186,435)	0	0
13. Incurred medical incentive pools and bonuses	3,947,966	3,127,435	0	0	0	0	820,531	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

**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 and 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	2,468,983	(302,519)				(51,653)	995,091	1,828,064		
1.2. Reinsurance assumed	0									
1.3. Reinsurance ceded	0									
1.4. Net	2,468,983	(302,519)	0	0	0	(51,653)	995,091	1,828,064	0	0
2. Incurred but Unreported:										
2.1. Direct	41,598,004	26,590,984				2,372,347	12,582,113	52,560		
2.2. Reinsurance assumed	0									
2.3. Reinsurance ceded	1,689,511	1,215,813				129,334	344,363			
2.4. Net	39,908,493	25,375,171	0	0	0	2,243,013	12,237,750	52,560	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	44,066,987	26,288,465	0	0	0	2,320,693	13,577,204	1,880,624	0	0
4.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded	1,689,511	1,215,813	0	0	0	129,334	344,363	0	0	0
4.4. Net	42,377,476	25,072,652	0	0	0	2,191,359	13,232,841	1,880,624	0	0

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	28,441,560	258,519,431		25,176,703	28,441,560	41,183,636
2. Medicare Supplement					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan	5,198,359	30,403,518		2,202,428	5,198,359	2,814,313
6. Title XVIII - Medicare	10,018,447	267,797,116		13,395,374	10,018,447	14,008,436
7. Title XIX - Medicaid.....	22,489,553		1,880,624		24,370,177	30,556,612
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	66,147,918	556,720,065	1,880,624	40,774,505	68,028,542	88,562,997
10. Healthcare receivables (a).....					0	0
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts	1,602,702	514,919	0	3,189,528	1,602,702	1,359,183
13. Totals (Lines 9-10+11+12)	67,750,620	557,234,984	1,880,624	43,964,033	69,631,244	89,922,180

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)**

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	3,862,866	3,862,891	3,862,847	3,862,820	3,862,859
2. 2009	337,504	371,550	371,446	371,467	371,415
3. 2010	XXX	304,517	334,084	334,070	334,050
4. 2011	XXX	XXX	304,974	338,237	338,202
5. 2012	XXX	XXX	XXX	299,274	327,785
6. 2013	XXX	XXX	XXX	XXX	258,519

Section B – Incurred Health Claims - Hospital and 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 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	3,636,522	3,636,364	2,074,140	3,862,840	3,862,859
2. 2009	376,195	371,550	371,446	371,467	371,415
3. 2010	XXX	340,575	334,084	334,070	334,050
4. 2011	XXX	XXX	339,229	338,306	338,202
5. 2012	XXX	XXX	XXX	340,388	327,785
6. 2013	XXX	XXX	XXX	XXX	283,696

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2009.....	444,625	371,415	17,871	4.8	389,286	87.6			389,286	87.6
2. 2010.....	412,469	334,050	1,546	0.5	335,596	81.4			335,596	81.4
3. 2011.....	409,379	338,202	39,374	11.6	377,576	92.2			377,576	92.2
4. 2012.....	393,632	327,785	22,077	6.7	349,862	88.9			349,862	88.9
5. 2013.....	338,907	258,519	28,230	10.9	286,749	84.6	28,094	284	315,127	93.0

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Pt 2C - Sn A - Paid Claims - MS

NONE

Pt 2C - Sn A - Paid Claims - DO

NONE

Pt 2C - Sn A - Paid Claims - VO

NONE

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

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

Section A – Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	264,400	264,355	264,344	264,344	264,344
2. 2009	35,570	38,889	38,812	38,812	38,812
3. 2010	XXX	35,134	38,181	38,181	38,181
4. 2011	XXX	XXX	.0	.0	.0
5. 2012	XXX	XXX	XXX	32,277	37,475
6. 2013	XXX	XXX	XXX	XXX	30,404

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

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 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	264,102	264,009	263,998	264,344	264,344
2. 2009	38,327	38,889	38,812	38,812	38,812
3. 2010	XXX	37,984	38,181	38,181	38,181
4. 2011	XXX	XXX	XXX	XXX	XXX
5. 2012	XXX	XXX	XXX	35,091	37,475
6. 2013	XXX	XXX	XXX	XXX	32,606

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2009.....	49,052	38,812	2,314	6.0	41,126	83.8			41,126	83.8
2. 2010.....	43,321	38,181	2,363	6.2	40,544	93.6			40,544	93.6
3. 2011.....	.0	.0		0.0	.0	0.0			.0	0.0
4. 2012.....	38,991	37,475	1,745	4.7	39,220	100.6			39,220	100.6
5. 2013.....	37,484	30,404	2,396	7.9	32,800	87.5	2,202	30	35,032	93.5

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ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

**UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)**

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	937,731	937,790	937,788	937,674	937,671
2. 2009	61,212	67,725	67,786	67,725	67,724
3. 2010	XXX	58,304	64,993	64,961	64,952
4. 2011	XXX	XXX	147,711	156,112	156,125
5. 2012	XXX	XXX	XXX	241,020	251,039
6. 2013	XXX	XXX	XXX	XXX	267,797

Section B - Incurred Health Claims - Medicare

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 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	937,765	937,790	937,788	937,674	937,671
2. 2009	67,889	67,725	67,786	67,725	67,724
3. 2010	XXX	66,779	64,993	64,961	64,952
4. 2011	XXX	XXX	157,708	156,155	156,125
5. 2012	XXX	XXX	XXX	254,986	251,039
6. 2013	XXX	XXX	XXX	XXX	281,192

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2009.....	84,817	67,724	1,666	2.5	69,390	81.8			69,390	81.8
2. 2010.....	82,369	64,952	1,868	2.9	66,820	81.1			66,820	81.1
3. 2011.....	191,542	156,125	5,545	3.6	161,670	84.4			161,670	84.4
4. 2012.....	150,296	251,039	2,984	1.2	254,023	169.0			254,023	169.0
5. 2013.....	156,945	267,797	4,824	1.8	272,621	173.7	13,668	358	286,647	182.6

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

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

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	18,398	18,398	18,398	18,398	18,398
2. 2009 .....	.0	.0	.0	.0	.0
3. 2010	XXX	.0	.0	.0	.0
4. 2011	XXX	XXX	.0	.0	.0
5. 2012	XXX	XXX	XXX	261,245	283,735
6. 2013	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims - Title XIX Medicaid

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 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	18,398	18,398	18,398	18,398	18,398
2. 2009					
3. 2010	XXX				
4. 2011	XXX	XXX			
5. 2012	XXX	XXX	XXX	291,802	285,615
6. 2013	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2009 .....	.0	.0		0.0	.0	0.0			.0	0.0
2. 2010 .....	.0	.0		0.0	.0	0.0			.0	0.0
3. 2011 .....	.0	.0		0.0	.0	0.0			.0	0.0
4. 2012	314,891	283,735	8,040	2.8	291,775	92.7	1,881	1	293,657	93.3
5. 2013	285	0	(213)	0.0	(213)	(74.7)			(213)	(74.7)

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

**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 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	5,083,395	5,083,434	5,083,377	5,083,236	5,083,272
2. 2009	434,286	478,164	478,044	478,004	477,951
3. 2010	XXX	397,955	437,258	437,212	437,183
4. 2011	XXX	XXX	452,685	494,349	494,327
5. 2012	XXX	XXX	XXX	833,816	900,034
6. 2013	XXX	XXX	XXX	XXX	556,720

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 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	4,856,787	4,856,561	3,294,324	5,083,256	5,083,272
2. 2009	482,411	478,164	478,044	478,004	477,951
3. 2010	XXX	445,338	437,258	437,212	437,183
4. 2011	XXX	XXX	496,937	494,461	494,327
5. 2012	XXX	XXX	XXX	922,267	901,914
6. 2013	XXX	XXX	XXX	XXX	597,494

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 Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2009	578,494	477,951	21,851	4.6	499,802	86.4	.0	.0	499,802	86.4
2. 2010	538,159	437,183	5,777	1.3	442,960	82.3	.0	.0	442,960	82.3
3. 2011	600,921	494,327	44,919	9.1	539,246	89.7	.0	.0	539,246	89.7
4. 2012	897,810	900,034	34,846	3.9	934,880	104.1	1,881	.1	936,762	104.3
5. 2013	533,621	556,720	35,237	6.3	591,957	110.9	43,964	672	636,593	119.3

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Pt 2C - Sn B - Incurred Claims - MS

NONE

Pt 2C - Sn B - Incurred Claims - DO

NONE

Pt 2C - Sn B - Incurred Claims - VO

NONE

Part 2C - Sn C - Claims Expense Ratio MS

NONE

Part 2C - Sn C - Claims Expense Ratio DO

NONE

Part 2C - Sn C - Claims Expense Ratio VO

NONE

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

**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.....	.0								
2. Additional policy reserves (a).....	.0								
3. Reserve for future contingent benefits.....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	.0								
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	0	0	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits	277,653	104,051				11,069	162,533		
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross)	277,653	104,051	.0	.0	.0	11,069	162,533	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	277,653	104,051	0	0	0	11,069	162,533	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building)	34,324	356,029	2,677,308		3,067,661
2. Salaries, wages and other benefits	7,944,329	13,852,927	21,382,636		43,179,892
3. Commissions (less \$ceded plus \$assumed)			9,709,220		9,709,220
4. Legal fees and expenses		62,260	119,664		181,924
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services		839,032	836,399		1,675,431
7. Traveling expenses	112,158	363,171	1,098,196		1,573,525
8. Marketing and advertising	2,360	51,220	4,214,246		4,267,826
9. Postage, express and telephone	(37)	668,740	1,407,255		2,075,958
10. Printing and office supplies	130,242	1,322,185	3,363,376		4,815,803
11. Occupancy, depreciation and amortization			961,169		961,169
12. Equipment		22,236	315,477		337,713
13. Cost or depreciation of EDP equipment and software		1,689,922	1,495,391		3,185,313
14. Outsourced services including EDP, claims, and other services	17,363	6,266,055	4,522,371		10,805,789
15. Boards, bureaus and association fees	57,497	19,537	137,990		215,024
16. Insurance, except on real estate		138,229	104,921		243,150
17. Collection and bank service charges				66,424	66,424
18. Group service and administration fees			(34,743)		(34,743)
19. Reimbursements by uninsured plans			(17,278,137)		(17,278,137)
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes		50,401	1,125,049		1,175,450
23.2 State premium taxes			4,686,468		4,686,468
23.3 Regulatory authority licenses and fees					0
23.4 Payroll taxes		625,568	2,456,288		3,081,856
23.5 Other (excluding federal income and real estate taxes)			(36,833)		(36,833)
24. Investment expenses not included elsewhere			50,945		50,945
25. Aggregate write-ins for expenses	0	610,744	899,983	0	1,510,727
26. Total expenses incurred (Lines 1 to 25)	8,298,236	26,938,256	44,214,639	66,424 (a)	79,517,555
27. Less expenses unpaid December 31, current year		671,701	17,482,383		18,154,084
28. Add expenses unpaid December 31, prior year	0	1,236,397	14,578,709	0	15,815,106
29. Amounts receivable relating to uninsured plans, prior year	0	0	150,017	0	150,017
30. Amounts receivable relating to uninsured plans, current year			438,627		438,627
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	8,298,236	27,502,952	41,599,575	66,424	77,467,187
DETAILS OF WRITE-INS					
2501. Other Expenses		610,744	899,983		1,510,727
2502.					0
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598) (Line 25 above)	0	610,744	899,983	0	1,510,727

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 63,053	64,445
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 2,698,713	2,676,433
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	0	
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 35,104	35,033
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	2,796,871	2,775,911
11. Investment expenses		(g) 66,424
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		66,424
17. Net investment income (Line 10 minus Line 16)		2,709,487
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 through 0903 plus 0998) (Line 9 above)	0	0
1501. Investment Manager change in LTD amortization		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

- (a) Includes \$ 135,213 accrual of discount less \$ 979,460 amortization of premium and less \$ 296,603 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ 34,228 accrual of discount less \$ 3,395 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 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(96,271)		(96,271)		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	1,998,276	(148,442)	1,849,834	(98,315)	
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	72		72	0	0
7. Derivative instruments			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)	1,902,077	(148,442)	1,753,635	(98,315)	0
DETAILS OF WRITE-INS					
0901.			0		
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED 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	.0	.0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	.0	.0	.0
2.2 Common stocks .....	.0	.0	.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.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	.0	.0
14. Investment income due and accrued .....	.0	.0	.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.0	.0	.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.0	.0	.0
15.3 Accrued retrospective premiums.....	.0	.0	.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	.0	.0	.0
16.2 Funds held by or deposited with reinsured companies .....	.0	.0	.0
16.3 Other amounts receivable under reinsurance contracts .....	.0	.0	.0
17. Amounts receivable relating to uninsured plans .....	.0	.0	.0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0
18.2 Net deferred tax asset.....	13,203,263	11,033,762	(2,169,501)
19. Guaranty funds receivable or on deposit .....	.0	.0	.0
20. Electronic data processing equipment and software.....	5,074	35,215	30,142
21. Furniture and equipment, including health care delivery assets.....	4,543,736	107,579	(4,436,157)
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	.0	.0	.0
23. Receivables from parent, subsidiaries and affiliates	12,554	.0	(12,554)
24. Health care and other amounts receivable.....	386,623	1,011,563	624,940
25. Aggregate write-ins for other-than-invested assets	1,935,804	1,749,732	(186,072)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	20,087,054	13,937,851	(6,149,203)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	20,087,054	13,937,851	(6,149,203)
DETAILS OF WRITE-INS			
1101. ....		.0	.0
1102. ....		.0	.0
1103. ....		.0	.0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Non Admitted Prepaid Assets.....	1,935,804	1,749,732	(186,072)
2502. ....		.0	.0
2503. ....		.0	.0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,935,804	1,749,732	(186,072)

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

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.....	25,282	20,886	20,321	18,692	17,941	236,898
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	80,194	87,908	87,344	59,079	56,943	875,538
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business.....	165,044	14,438	14,461	14,777	14,935	175,210
7. Total	270,520	123,232	122,126	92,548	89,819	1,287,646
DETAILS OF WRITE-INS						
0601. Medicare.....	13,829	14,438	14,461	14,777	14,935	175,210
0602. Medicaid.....	151,215	.0	.0	.0	.0	.0
0603. ....	.0					
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	165,044	14,438	14,461	14,777	14,935	175,210

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying statutory financial statements of Coventry Health Care of Kansas, Inc. (“the Company”) have been prepared in conformity with accounting practices prescribed or permitted by the Kansas Insurance Department (DOI). The Kansas Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Kansas for determining and reporting the financial condition and results of operations of an insurance company, which include accounting practices and procedures adopted by the National Association of Insurance Commissioners’ (“NAIC”) Accounting Practices and Procedures Manual (“NAIC SAP”). The Company’s net income and capital and surplus as stated on a NAIC SAP basis and on the basis of practices prescribed or permitted by the State of Kansas were the same as of and for the years ended December 31, 2013 and 2012.

The Kansas Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Kansas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Kansas insurance laws. The National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedures Manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Kansas. The State of Kansas has not adopted any prescribed accounting practices that differ from those found in NAIC SAP

The accompanying statutory financial statements have been prepared in conformity with Statutory Accounting Practices (“SAP”) and are not intended to conform with U.S. generally accepted accounting principles (“U.S. GAAP”). Significant variances between SAP and U.S. GAAP are as follows:

- Certain assets designated as non-admitted (e.g. receivables greater than 90 days old, prepaid assets, intangible assets, certain amounts of property and equipment, notes receivable and deferred taxes) are excluded from the balance sheet by a direct charge to surplus.
- Bonds generally are stated at amortized costs, except for bonds that are rated by the NAIC as class 3-6 which are reported as the lower of amortized cost or fair market value.
- Deferred tax assets and liabilities are determined and admitted in accordance with SSAP No. 101, Income Taxes –A Replacement of SSAP No. 10R and SSAP No. 10 (“SSAP No. 101”). SSAP No. 101 became authoritative guidance for accounting and reporting of income taxes beginning January 1, 2012 and replaced SSAP No. 10R, Income Taxes – Revised, A Temporary Replacement of SSAP No. 10. Changes in net deferred tax assets and liabilities are reflected as changes in surplus. Under U.S. GAAP, changes in such assets and liabilities are reflected in net income. In addition, statutory accounting requires an admissibility test for deferred tax assets, which is not required under U.S. GAAP.

A. Accounting Practices

	<u>State of Domicile</u>	<u>2013</u>	<u>2012</u>
<u>NET INCOME</u>			
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	KS	\$ 33,904,909	\$ (29,732,065)
(4) NAIC SAP (1-2-3=4)	KS	\$ 33,904,909	\$ (29,732,065)
<u>SURPLUS</u>			
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	KS	\$ 115,507,439	\$ 113,732,926
(8) NAIC SAP (5-6-7=8)	KS	\$ 115,507,439	\$ 113,732,926

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

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

C. Accounting Policy

The Company applies the following significant accounting policies

Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

Investments:

1. Cash, cash equivalents and short-term investments

NOTES TO FINANCIAL STATEMENTS

Cash and cash equivalents include all highly liquid instruments readily convertible to cash with a maturity of three months or less from the date of purchase. Short-term investments primarily consist of investments purchased with an original maturity of one year or less. The carrying amounts of cash and cash equivalents and short-term investments reported in the accompanying Statutory Statements of Assets approximate fair value. Drafts that have not been presented for payment and remain outstanding at the balance sheet date are reported as a liability in the Statutory Statements of Liabilities, Capital and Surplus.

2. Bonds

Bonds, which include special deposits, are carried at amortized cost except for those bonds with an NAIC designation of 3 through 6 which are reported at the lower of amortized cost or fair value. The amount reported at fair value is not material to the financial statements. Bond premiums and discounts are amortized using the scientific interest method. When quoted prices in active markets for identical assets are available, the Company uses these quoted market prices to determine the fair value of bonds. This is used primarily for U.S. government securities. In other cases where a quoted market price for identical assets in an active market is either not available or not observable, the Company estimates fair values using valuation methodologies based on available and observable market information or by using a matrix pricing model. If quoted market prices are not available, the Company determines fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. The Company had no investments where fair value was determined using broker quotes or an internal analysis of financial performance and cash flow projections at December 31, 2013 and 2012. Bonds include all investments whose maturity is greater than one year when purchased.

The Company periodically reviews its bonds to determine whether a decline in fair value below the carrying value is other-than temporary. For bonds, other than loan-backed and structured securities, other-than-temporary impairment ("OTTI") shall be recorded if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition.

Yield-related impairments are deemed other-than-temporary when the Company intends to sell an investment at the reporting date before recovery of the cost of the investment. Declines deemed to be OTTI are recognized as realized capital losses.

For loan-backed and structured securities, the Company records OTTI when the fair value of the loan backed or structured security is less than the amortized cost basis at the balance sheet date and (1) the Company intends to sell the investment, or (2) the Company does not have the intent and ability to retain the investment for the time sufficient to recover the amortized cost basis, or (3) the Company does not expect to recover the entire amortized cost basis of the security, even if it does not intend to sell the security and has the intent and ability to hold. If it is determined an OTTI has occurred because of (1) or (2), the amount of the OTTI is equal to the difference between the amortized cost and the fair value of the security at the balance sheet date and this difference is recorded as a realized capital loss. If it is determined an OTTI has occurred because of (3), the amount of the OTTI is equal to the difference between the amortized cost and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's effective interest rate and this difference is also accounted for as a realized capital loss.

The Company analyzes all relevant facts and circumstances for each investment when performing its analysis to determine whether an OTTI impairment exists. Among the factors considered in evaluating whether a decline is other-than-temporary, management considers whether the decline in fair value results from a change in the quality of the investment security itself, whether the decline results from a downward movement in the market as a whole, the prospects for realizing the carrying value of the bond based on the investee's current and short-term prospects for recovery and other factors. The risks inherent in assessing the impairment of an investment include the risk that market factors may differ from our expectations and the risk that facts and circumstances factored into our assessment may change with the passage of time. Unexpected changes to market factors and circumstances that were not present in past reporting periods may result in a current period decision to sell securities that were not other-than temporarily impaired in prior reporting periods.

3. The Company did not own any common stock at December 31, 2013
4. The Company did not own any preferred stock at December 31, 2013
5. The Company did not have any mortgage loans at December 31, 2013
6. The Company did not have any securities on loan at December 31, 2013
7. The Company has no investments in subsidiaries, controlled and affiliated companies.
8. The Company did not have any investments in any joint ventures, partnerships and limited liability companies at December 31, 2013
9. The Company did not have any derivatives at December 31, 2013
10. Premium deficiency calculations do not utilize anticipated investment income as a factor.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessary based on assumptions and estimates and, while management believes that amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12. The Company has not modified its capitalization policy from the prior period.
13. Federal and state income taxes

In accordance with a written tax sharing agreement with an affiliate, the Company's current Federal and state income tax provisions are generally computed as if the Company were filing a separate Federal and state income tax return; current income tax benefits, including those resulting from net operating losses, are recognized to the extent realized in the consolidated return. Pursuant to this agreement, the Company has the enforceable right to recoup Federal and state income taxes paid in

NOTES TO FINANCIAL STATEMENTS

prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to Federal and state income taxes.

Deferred income tax assets ("DTAs") and liabilities ("DTLs") represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period.

Pursuant to SSAP No. 101, gross DTAs are first reduced by a statutory valuation allowance adjustment to an amount that is more likely than not to be realized ("adjusted gross DTAs"). Adjusted gross DTAs are then admitted in an amount equal to the sum of paragraphs a. b. and c. below:

a. Federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with Internal Revenue Service ("IRS") tax loss carryback provisions.

b. The amount of adjusted gross DTAs, after the application of paragraph a. above, expected to be realized within the applicable period and that is no greater than the applicable percentage as determined using the applicable Realization Threshold Limitation Table. The applicable period refers to the number of years in which the DTA will reverse in the Company's tax return and the applicable percentage refers to the percentage of the Company's statutory capital and surplus as required to be shown on the statutory balance sheet adjusted to exclude any net DTAs, electronic data processing equipment and operating system software and any net positive goodwill ("Stat Cap ExDTA").

The Realization Threshold Limitation Tables allow DTAs to be admitted based upon either realization within 3 years and 15 percent of Stat Cap ExDTA, 1 year and 10 percent of Stat Cap ExDTA, or no DTA admitted pursuant to this paragraph b. In general, the Realization Threshold Limitation Tables allow the Company to admit more DTAs if total DTAs as reported by the Company are a smaller percentage of statutory capital and surplus.

c. The amount of gross DTAs, after the application of paragraphs a. and b. above that can be offset against existing gross DTLs. In applying this offset, the Company considers the character (i.e. ordinary versus capital) of the DTAs and DTLs such that offsetting would be permitted in the tax return under existing enacted federal income tax laws and regulations and the reversal patterns of temporary differences.

DTAs for the year ending December 31, 2011 were recalculated pursuant to SSAP No. 101. If recalculation resulted in an adjustment to the December 31, 2011 admitted DTA balance, a "cumulative effect of changes in accounting principle" was recorded in 2012 as a separate component of surplus ("Cumulative effect of changes in accounting principles")

Changes in DTAs and DTLs are recognized as a separate component of gains and losses in surplus ("Change in net deferred income tax") except to the extent allocated to changes in unrealized gains and losses. Changes in DTAs and DTLs allocated to unrealized gains and losses are netted against the related changes in unrealized gains and losses and are reported as "Change in net unrealized capital gains (losses)", also a separate component of gains and losses in surplus.

The Company is subject to state income taxes in various states. State income tax expense is recorded in general administrative expenses in the Statutory Statements of Operations. For the years ended December 31, 2013 and 2012, the Company incurred state income tax expenses of \$1,081,000 and \$44,000, respectively. The Company's state income tax payable of \$548,000 and \$0 at December 31, 2013 and 2012, respectively, was included in general expenses due or accrued in the Statutory Statements of Liabilities, Capital and Surplus. The Company had state income tax receivable of \$0, and \$462,000 at December 31, 2013 and 2012, respectively.

The Company is subject to premium taxes in various states. These tax expenses are recorded in general administrative expenses in the Statutory Statements of Operations. The expenses for these taxes were \$1,718,000 and \$5,692,000 for the years ended December 31, 2013 and 2012, respectively. The Company's premium tax payable of \$1,636,000 and \$5,690,000 at December 31, 2013 and 2012, respectively are included in general expenses due and accrued in the Statutory Statements of Liabilities, Capital and Surplus. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

2. Accounting Changes and Corrections of Errors

During the audited financial statement preparation, the Company discovered an error in the reporting of admitted and non-admitted receivables from parent, subsidiaries and affiliates. In the prior year, the admitted receivable was overstated by \$2,348,401. Line 4701 on the Statement of Revenue and Expense (continued) page has been updated in the current year to correct the error in the reporting of receivables for parent, subsidiaries and affiliates.

NOTES TO FINANCIAL STATEMENTS

During the audited financial statement preparation, the Company discovered an error in the reporting of admitted and non-admitted deferred tax assets. In the prior year, Federal and foreign income tax recoverable and interest thereon (Asset page, Line 19, Column 1) was understated by \$572,210. This resulted in the calculation of the corresponding non-admitted Federal and foreign income tax recoverable and interest thereon (Asset page, Line 19, column 2) to be understated by \$572,210. Lines 4702 and 4703 on the Statement of Revenue and Expense (continued) page have been adjusted in the current year to correct the error in the reporting of deferred tax assets.

3. Business Combinations and Goodwill

A. Statutory Purchased Method
NONE

B. Statutory Merger Method
NONE

C. Assumption Reinsurance
NONE

D. Impairment Losses
NONE

4. Discontinued Operations

NONE

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

NONE

B. Debt Restructuring

NONE

C. Reverse Mortgages

NONE

D. Loan-Backed Securities

1. Prepayment assumptions for single class and multi-class mortgage backed/asset backed securities were obtained from industry market sources.

2. The Company had no other-than-temporary impairment (“OTTI”) losses during 2013 on loan-backed and structured securities in which the Company had the (1) intent to sell, (2) did not have the intent and ability to retain for a period of time sufficient to recover the amortized cost basis or (3) present value of cash flows expected to be collected is less than the amortized cost basis of the securities in accordance with SSAP No. 43R, *Loan-Backed and Structured Securities* (“SSAP No. 43R”).

3. The Company had no recognized OTTI on loan-backed and structured securities currently held, in which the present value of cash flows expected to be collected is less than the amortized cost basis, at December 31, 2013.

4.

(4)

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$.....(28,243)
2. 12 Months or Longer	\$.....

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

1. Less than 12 Months	\$.....7,615,492
2. 12 Months or Longer	\$.....

The structured securities have been in a continuous unrealized loss position for less than 12 months. There are no structured securities that have been in a continuous unrealized loss position for 12 months or longer.

5. The Company has reviewed the loan-backed and structured securities in accordance with SSAP No. 43R in the table above and has concluded that these are performing assets generating investment income to support the needs of the business. Furthermore, the Company has no intention to sell the securities at December 31, 2013 before their cost can be recovered and does have the intent and ability to retain the securities for the time sufficient to recover the amortized cost basis; therefore, no OTTI write down to fair value was determined to have occurred on these securities.

E. Repurchase Agreements and/or Securities Lending Transactions

NOTES TO FINANCIAL STATEMENTS

NONE

F. Real Estate

NONE

G. Investments in low-income housing credits

NONE

H. Restricted Assets

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$ 0	\$	%	%
b. Collateral held under security lending agreements			0			
c. Subject to repurchase agreements			0			
d. Subject to reverse repurchase agreements			0			
e. Subject to dollar repurchase agreements			0			
f. Subject to dollar reverse repurchase agreements			0			
g. Placed under option contracts			0			
h. Letter stock or securities restricted as to sale			0			
i. On deposit with states	1,776,342	1,784,038	(7,696)	1,776,342	1,784,038.0	0.8
j. On deposit with other regulatory bodies			0			
k. Pledged as collateral not captured in other categories			0			
l. Other restricted assets			0			
m. Total Restricted Assets	\$ 1,776,342	\$ 1,784,038	\$ (7,696)	\$ 1,776,342	%	%

6. Joint Ventures, Partnerships and Limited Liability Companies

NONE

7. Investment Income

A. There was no investment income due and accrued excluded from surplus at December 31, 2013 except in bonds where collection of interest was uncertain.

B. NONE

8. Derivative Instruments

NONE

9. Income Taxes

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

1.

	12/31/2013		
	(1)	(2)	(3)
	Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 24,115,846	\$ 60,149	\$ 24,175,995
(b) Statutory Valuation Allowance Adjustments	\$ 2,299,622	\$ 0	\$ 2,299,622
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 21,816,224	\$ 60,149	\$ 21,876,373
(d) Deferred Tax Assets Nonadmitted	\$ 13,176,534	\$ 26,729	\$ 13,203,263
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 8,639,690	\$ 33,420	\$ 8,673,110
(f) Deferred Tax Liabilities	\$ 285	\$ 21,991	\$ 22,276
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 8,639,405	\$ 11,429	\$ 8,650,834

	12/31/2012		
	(4)	(5)	(6)
	Ordinary	Capital	(Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 18,756,825	\$ 6,647	\$ 18,763,472
(b) Statutory Valuation Allowance Adjustments	\$ 0	\$ 0	\$ 0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 18,756,825	\$ 6,647	\$ 18,763,472
(d) Deferred Tax Assets Nonadmitted	\$ 11,033,762	\$ 0	\$ 11,033,762
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 7,723,063	\$ 6,647	\$ 7,729,710
(f) Deferred Tax Liabilities	\$ 726,498	\$ 0	\$ 726,498
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 6,996,565	\$ 6,647	\$ 7,003,212

	Change		
	(7)	(8)	(9)
	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 5,359,021	\$ 53,502	\$ 5,412,523
(b) Statutory Valuation Allowance Adjustments	\$ 2,299,622	\$ 0	\$ 2,299,622
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 3,059,399	\$ 53,502	\$ 3,112,901
(d) Deferred Tax Assets Nonadmitted	\$ 2,142,772	\$ 26,729	\$ 2,169,501
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 916,627	\$ 26,773	\$ 943,400

NOTES TO FINANCIAL STATEMENTS

(f) Deferred Tax Liabilities	\$.....(726,213)	\$.....21,991	\$.....(704,222)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$.....1,642,840	\$.....4,782	\$.....1,647,622

2.

12/31/2013		
(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.	\$.....5,372,034	\$.....11,429	\$.....5,383,463
(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)	\$.....3,267,371	\$.....0	\$.....3,267,371
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$.....3,267,371	\$.....0	\$.....3,267,371
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$.....16,028,491
(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.	\$.....285	\$.....48,720	\$.....49,005
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	\$.....8,639,690	\$.....60,149	\$.....8,699,839

12/31/2012		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$.....0	\$.....0	\$.....0
(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)	\$.....6,996,565	\$.....6,647	\$.....7,003,212
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$.....0	\$.....0	\$.....0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$.....16,009,457
(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.	\$.....726,498	\$.....0	\$.....726,498
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	\$.....7,723,063	\$.....6,647	\$.....7,729,710

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$.....5,372,034	\$.....11,429	\$.....5,383,463
(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)	\$.....(3,729,194)	\$.....(6,647)	\$.....(3,735,841)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$.....3,267,371	\$.....0	\$.....3,267,371
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$.....19,034
(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.	\$.....(726,213)	\$.....48,720	\$.....(677,493)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	\$.....916,627	\$.....53,502	\$.....970,129

3.

2013	2012
------	------

(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	.....500.000	.....322.000
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$.....106,856,605.000	\$.....106,729,713.000

4.

12/31/2013	
(1)	(2)
Ordinary	Capital

Impact of Tax Planning Strategies

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	.....21,816,224	.....60,149
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	.....0.0	.....0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	.....8,639,690	.....33,420
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	.....0.0	.....0.0

12/31/2012	
(3)	(4)
Ordinary	Capital

(a) 1. Adjusted Gross DTAs Amount From Note 9A1(c)	.....18,756,825	.....6,647
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	.....0.0	.....0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	.....7,723,063	.....6,647
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	.....0.0	.....0.0

Change	
(5)	(6)
(Col 1-3) Ordinary	(Col 2-4) Capital

(a) 1. Adjusted Gross DTAs Amount From Note 9A1(c)	.....3,059,399	.....53,502
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	.....0.0	.....0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	.....916,627	.....26,773
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	.....0.0	.....0.0

(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes..... No.....X.....

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

(1)	(2)	(3)
12/31/2013	12/31/2012	(Col 1-2) Change

1.

Current Income Tax		
(a) Federal	\$.....9,053,516	\$.....769,520
(b) Foreign	\$.....0	\$.....0
(c) Subtotal	\$.....9,053,516	\$.....769,520

NOTES TO FINANCIAL STATEMENTS

(d)	Federal income tax on net capital gains	\$ 666,633	\$ 655,747	\$ 10,886
(e)	Utilization of capital loss carry-forwards	\$ 0	\$ 0	\$ 0
(f)	Other	\$ 0	\$ (789,864)	\$ 789,864
(g)	Federal and foreign income taxes incurred	\$ 9,720,149	\$ 635,403	\$ 9,084,746
2. Deferred Tax Assets:				
(a) Ordinary				
(1)	Discounting of unpaid losses	\$ 1,702,182	\$ 538,054	\$ 1,164,128
(2)	Unearned premium reserve	\$ 551,148	\$ 528,412	\$ 22,736
(3)	Policyholder reserves	\$ 0	\$ 0	\$ 0
(4)	Investments	\$ 0	\$ 0	\$ 0
(5)	Deferred acquisition costs	\$ 0	\$ 0	\$ 0
(6)	Policyholder dividends accrual	\$ 0	\$ 0	\$ 0
(7)	Fixed assets	\$ 908,282	\$ 209,955	\$ 698,327
(8)	Compensation and benefits accrual	\$ 487,422	\$ 522,763	\$ (35,341)
(9)	Pension accrual	\$ 0	\$ 0	\$ 0
(10)	Receivables - nonadmitted	\$ 817,243	\$ 1,016,431	\$ (199,188)
(11)	Net operating loss carry-forward	\$ 5,621,968	\$ 0	\$ 5,621,968
(12)	Tax credit carry-forward	\$ 0	\$ 0	\$ 0
(13)	Other (including items <5% of total ordinary tax assets)	\$ 14,027,601	\$ 15,941,209	\$ (1,913,608)
(99)	Subtotal	\$ 24,115,846	\$ 18,756,824	\$ 5,359,022
(b)	Statutory valuation allowance adjustment	\$ 2,299,622	\$ 0	\$ 2,299,622
(c)	Nonadmitted	\$ 13,176,534	\$ 11,033,762	\$ 2,142,772
(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 8,639,690	\$ 7,723,062	\$ 916,628
(e) Capital:				
(1)	Investments	\$ 60,149	\$ 6,647	\$ 53,502
(2)	Net capital loss carry-forward	\$ (26,729)	\$ 0	\$ (26,729)
(3)	Real estate	\$ 0	\$ 0	\$ 0
(4)	Other (including items <5% of total capital tax assets)	\$ 0	\$ 0	\$ 0
(99)	Subtotal	\$ 33,420	\$ 6,647	\$ 26,773
(f)	Statutory valuation allowance adjustment	\$ 0	\$ 0	\$ 0
(g)	Nonadmitted	\$ 0	\$ 0	\$ 0
(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 33,420	\$ 6,647	\$ 26,773
(i)	Admitted deferred tax assets (2d + 2h)	\$ 8,673,110	\$ 7,729,709	\$ 943,401
3. Deferred Tax Liabilities:				
(a) Ordinary				
(1)	Investments	\$ 0	\$ 0	\$ 0
(2)	Fixed assets	\$ 0	\$ 53,154	\$ (53,154)
(3)	Deferred and uncollected premium	\$ 0	\$ 0	\$ 0
(4)	Policyholder reserves	\$ 0	\$ 0	\$ 0
(5)	Other (including items <5% of total ordinary tax liabilities)	\$ 285	\$ 673,344	\$ (673,059)
(99)	Subtotal	\$ 285	\$ 726,498	\$ (726,213)
(b) Capital:				
(1)	Investments	\$ 21,991	\$ 0	\$ 21,991
(2)	Real estate	\$ 0	\$ 0	\$ 0
(3)	Other (including items <5% of total capital tax liabilities)	\$ 0	\$ 0	\$ 0
(99)	Subtotal	\$ 21,991	\$ 0	\$ 21,991
(c)	Deferred tax liabilities (3a99 + 3b99)	\$ 22,276	\$ 726,498	\$ (704,222)
4.	Net deferred tax assets/liabilities (2i - 3c)	\$ 8,650,834	\$ 7,003,211	\$ 1,647,623

The change in the net deferred income taxes is comprised of the following:

	12/31/2013	12/31/2012	Change
Total deferred tax assets	21,876,373	18,763,472	3,112,901
Total deferred tax liabilities	(22,276)	(726,498)	704,222
Net deferred tax asset (liability)	21,854,097	18,036,974	3,817,123
Tax effect of unrealized gains/(losses)			(34,410)
Change in net deferred income tax			3,782,713

D. Reconciliation of federal income tax rate to actual effective rate:

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

	12/31/2013	Effective Tax Rate	12/31/2012	Effective Tax Rate
Provision computed at statutory rate	15,268,770	35.0%	(10,183,832)	35.0%
Permanent Items	(3,366,523)	-7.7%	(1,865,935)	6.4%
Change in nonadmitted assets	149,210	0.3%	163,855	-0.6%
Change in Statutory Valuation Allowance	2,299,622	5.3%	0	0.0%
STAT to GAAP Adjustment	(7,913,583)	-18.1%	(789,864)	2.7%
Prior period adjustment to deferred tax asset	(572,210)	-1.3%	0	0.0%
Prior Year Return to Provision Adjustment & Other	72,149	0.2%	112,565	-0.4%
Total	5,937,436	13.6%	(12,563,212)	43.2%
Federal and foreign income taxes incurred	9,720,149	22.3%	635,403	-2.2%
Change in net deferred income taxes	(3,782,713)	-8.7%	(13,198,615)	45.4%
Total statutory income taxes	5,937,436	13.6%	(12,563,212)	43.2%

E. As of December 31, 2013 the Company has no net capital loss and \$16,062,766 net operating loss carryforward for tax purposes.

NOTES TO FINANCIAL STATEMENTS

The amount of Federal income taxes incurred that are available for recoupment in the event of future net losses are:

Year	Amount
2013	9,633,469
2012	-

Deposits admitted under IRC Section 6603

None

F.1 From January 1, 2013 through May 6, 2013, the Company's Federal Income Tax Return is consolidated with the following entities:

Altius Health Plans, Inc.
 Coventry Health Care of Florida, Inc.
 Coventry Health Care of Georgia, Inc.
 Coventry Health Care of Louisiana, Inc.
 Coventry Health Care of Nebraska, Inc.
 CHC Casualty Risk Retention Group, Inc.
 Coventry Health Plan of Florida, Inc.
 Coventry Health Care of Illinois, Inc.
 Coventry Health Care of Missouri, Inc.
 CoventryCares of Michigan, Inc.
 Coventry Health Care of Virginia, Inc.
 Coventry Health Care of Delaware, Inc.
 Coventry Health Care of Iowa, Inc.
 Coventry Health Care of Kansas, Inc.
 Coventry Health Care of the Carolinas, Inc.
 Coventry Health Care of Pennsylvania, Inc.
 Coventry Health Care of Texas, Inc.
 Coventry Summit Health Plan, Inc.
 Coventry Health and Life Insurance Company
 Coventry Health Care, Inc.
 Cambridge Life Insurance Company
 First Health Group Corp.
 First Health Life and Health Insurance Company
 Florida Health Plan Administrators, LLC
 HealthCare USA of Missouri, LLC
 HealthAmerica Pennsylvania, Inc.
 WellPath of South Carolina, Inc.
 HealthAssurance Pennsylvania, Inc.
 Coventry HealthCare Management Corporation
 Mental Health Associates, Inc.
 Mental Health Network of New York IPA, Inc.
 MHNet Life and Health Insurance Company
 MHNet of Florida, Inc.
 Claims Administration Corporation
 Coventry Consumer Advantage, Inc.
 Coventry Financial Management Services, Inc.
 Coventry Health Care National Accounts, Inc.
 Coventry Health Care Workers' Compensation, Inc.
 Coventry Management Services, Inc.
 Coventry Prescription Management Services, Inc.
 Coventry Transplant Network, Inc.
 First Script Network Services, Inc.
 HealthAssurance Financial Services, Inc.
 FOCUS Healthcare Management, Inc.
 MetraComp, Inc.
 Coventry Health Care National Network, Inc.
 Aetna Better Health Inc. (Tennessee) (f/k/a HealthCare USA of Tennessee, Inc.)
 Coventry Health Care of West Virginia, Inc.
 Coventry Rehabilitation Services, Inc. (f/k/a First Health Strategies, Inc.)
 Carefree Insurance Services, Inc.

From May 7, 2013 through December 31, 2013, the Company's Federal Income Tax Return is consolidated with the entities above as well as with the following entities:

Aetna Inc. - Parent Company
 @ Credentials Inc.

NOTES TO FINANCIAL STATEMENTS

Active Health Management Inc.
Adminco, Inc.
Administrative Enterprise, Inc.
AE Fourteen, Incorporated
AET Health Care Plan, Inc.
Aetna ACO Holdings, Inc.
Aetna Better Health Inc. (Connecticut)
Aetna Better Health Inc. (Florida)
Aetna Better Health Inc. (Georgia)
Aetna Better Health Inc. (Illinois)
Aetna Better Health Inc. (Louisiana)
Aetna Better Health Inc. (New Jersey)
Aetna Better Health Inc. (New York)
Aetna Better Health Inc. (Ohio)
Aetna Better Health Inc. (Pennsylvania)
Aetna Dental Inc. (New Jersey)
Aetna Dental Inc. (Texas)
Aetna Dental of California, Inc.
Aetna Health and Life Insurance Company
Aetna Health Finance, Inc.
Aetna Health Inc. (Connecticut)
Aetna Health Inc. (Florida)
Aetna Health Inc. (Georgia)
Aetna Health Inc. (Maine)
Aetna Health Inc. (Michigan)
Aetna Health Inc. (New Jersey)
Aetna Health Inc. (New York)
Aetna Health Inc. (Pennsylvania)
Aetna Health Inc. (Texas)
Aetna Health Insurance Company
Aetna Health Insurance Company of New York
Aetna Health of California Inc.
Aetna Insurance Company of Connecticut
Aetna Integrated Informatics, Inc.
Aetna International Inc.
Aetna Ireland Inc.
Aetna Life and Casualty (Bermuda) Ltd.
Aetna Life Assignment Company
Aetna Life Insurance Company
Aetna Risk Indemnity Company Limited
Aetna Student Health Agency Inc.
AHP Holdings, Inc.
Allviant Corporation
American Health Holding, Inc.
AUSHC Holdings, Inc.
Broadspire National Services, Inc.
Chickering Claims Administrators, Inc.
Cofinity, Inc.
Delaware Physicians Care, Incorporated
Health and Human Resource Center, Inc.
Health Data & Management Solutions, Inc.
Health Re, Incorporated
Jaguar Merger Subsidiary, Inc.
Luettgens Limited
Managed Care Coordinators, Inc.
Medicity Inc.
Meritain Health, Inc.
Missouri Care, Incorporated
Niagara Re, Inc.

NOTES TO FINANCIAL STATEMENTS

PayFlex Holdings, Inc.
PayFlex Systems USA, Inc.
Performax, Inc.
Precision Benefit Services, Inc.
Prime Net, Inc.
Prodigy Health Group, Inc.
Professional Risk Management, Inc.
Resources for Living, LLC
Schaller Anderson Medical Administrators, Incorporated
Strategic Resource Company
The Vasquez Group Inc.
U.S. Healthcare Properties, Inc.
Work and Family Benefits, Inc.
Group Dental Service, Inc.
Group Dental Service of Maryland, Inc.

As explained in Note 1, the Company participates in a tax sharing agreement. The Company was part of a tax sharing agreement with its former parent Coventry Health Care, Inc. for the period January 1, 2013 through May 6, 2013. Upon the acquisition date of May 7, 2013 the Company participates in a tax sharing agreement with Aetna Inc. ("Aetna") and Aetna's other subsidiaries.

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

A-C. The Company has management service agreements with its Parent company and certain affiliates, in which the Parent and affiliates provide information technology, service center and general administrative support services. The Company also provides certain administrative services to various wholly owned subsidiaries of the Parent.

The Company paid an extra-ordinary dividend to the parent company, Coventry Health Care, Inc. on 06/28/2013, totaling \$29,700,000.

Effective May 1, 2011 the Company entered into a Quota Share Reinsurance Agreement with an affiliate, Group Health Plan, Inc., now known as Coventry Health Care of Missouri (CHC-MO). In consideration for the performance of the agreement, CHC-MO shall pay the Company 100% of the amount that CHC-MO receives from CMS for the Southwest Missouri Medicare HMO membership. The Company accepts as reinsurance from CHC-MO 100% quota share participation with respect to any losses

D. Amounts due from related parties and due to related parties as of December 31, 2013 are as follows:

Due from Related Parties:	
Coventry Health and Life Insurance Company	\$103,032
Coventry Management Services, Inc.	\$17,975

Due to Related Parties:	
Coventry Health Care, Inc.	\$794,108

The terms of settlement require that these amounts are settled within 30 days.

E. NONE

F. The Company receives certain management services from various affiliated companies. These management fees are reflected as general and administrative expenses. Refer to Schedule Y, Part 2 for the amounts of any significant transactions with affiliates.

The Parent Company provides certain management, consulting, computer and administrative services to the Company. The Company also reimburses the Parent for certain expenses paid by the Parent on behalf of the Company. The management fee to the Parent is based on monthly membership and the current year expense is included in Schedule Y, Part 2.

The Company carries reinsurance coverage for instances in which medical costs for an individual member exceed certain limitations. This coverage is currently through Coventry Health and Life Insurance Company (CH&L), an affiliate of Coventry. The Company is contingently liable for its reinsured losses to the extent that the reinsurance company cannot meet its obligations under the reinsurance contracts.

G. On August 19, 2012, the Company's parent, Coventry Health Care, Inc. ("Coventry"), Aetna Inc. ("Aetna") and Jaguar Merger Subsidiary, Inc. ("Merger Sub") entered into an Agreement and Plan of Merger (as amended, and as may be further amended), pursuant to which, subject to the satisfaction or waiver of certain conditions, Merger Sub will be merged with and into Coventry, with Coventry surviving the merger as a wholly-owned subsidiary of Aetna (the "Merger").

NOTES TO FINANCIAL STATEMENTS

The consummation of the Merger is subject to customary closing conditions, including, among others, the adoption of the Merger Agreement by Coventry's stockholders, the absence of certain legal impediments to the consummation of the Merger, the receipt of specified governmental consents and approvals, the early termination or expiration of the waiting period under the Hart-Scott-Rodino Antitrust Improvement Act of 1976, and, subject to certain exceptions, the accuracy of representations and warranties made by the Coventry and Aetna, respectively, and compliance by the Coventry and Aetna with their respective obligations under the Merger Agreement. The Merger closed on May 7, 2013.

H. – L. NONE

11. Debt

NONE

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

- A. The Company does not sponsor a Defined Benefit Plan.
- B. The Company does not sponsor a Defined Benefit Plan
- C. The Company does not sponsor a Defined Benefit Plan.
- D. The Company does not sponsor a Defined Benefit Plan
- E. The Company's employees are eligible to participate in a 401(k) defined contribution plan sponsored by the Parent. Employees become eligible to participate in the plan upon their first day of employment. Subject to certain limitations, employees may contribute 75% of their salary to the plan which the Company matches at a rate of 100% up to the first 3% and 50% of the next 3% of each employee's contributions to a maximum of 4.5% of their total salary. The Company contributed \$923,640 to the 401(k) plan in 2013 and \$1,011,000 in 2012.

The Company offers certain executives a 401(k) restoration and deferred compensation plan sponsored by the Parent. This is a non-qualified plan offering participants various investment fund options. The Company expensed \$67,400 in 2013 and \$32,119 in 2012.

- F. The Company does not offer multiple-employer plans.
- G. The Company does not offer consolidated / holding company plans.
- H. The Company does not have an obligation for any post-employment benefits or compensated absences
- I. The Company does not have any impact on any postretirement benefits related to the Medicare Moderation Act.

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

- 1) The Company has 1,000 shares of common capital stock authorized, issued and outstanding by the Company with a par value of \$5 per share.
- 2) The Company has no preferred stock authorized or outstanding
- 3) Dividends on the Company's common capital stock are paid as declared by its Board of Directors, from earned surplus of the Company, not including surplus arising from the sale of stock. Without prior approval of its domiciliary commissioner, dividends to shareholders are limited by the laws of the Company's state of incorporation, Kansas, to the extent that net worth is greater than the minimum net worth requirement and retained earnings is a positive number.
- 4) An extra-ordinary dividend in the amount of \$29,700,000 on 06/28/2013 was paid by the Company to its Parent.
- 5) Within the limitations of 3) above, there are no other restrictions placed on the portion of Company profits that may be paid as ordinary dividends to the stockholder.
- 6) There are no other restrictions on the Company's surplus.
- 7) The Company does not have any advances to surplus not repaid.
- 8) There are no amounts of the Company's common capital stock being held for special purposes.
- 9) The Company has no special surplus funds.
- 10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gain and losses is \$0.
- 11) The Company has no surplus debentures or similar obligations outstanding.

NOTES TO FINANCIAL STATEMENTS

12) The Company has no prior quasi-reorganizations.

13) The Company has no quasi-reorganizations.

14. Contingencies

A. Contingent Commitments

NONE

B. Assessments

1. Each year, the Company is required to contribute to the Kansas Health Insurance Pool based on prior year's premiums. The Company paid \$2,920,592 to the Kansas Health Insurance Association in 2013.

2. NONE

C. Gain Contingencies

NONE

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

NONE

E. All Other Contingencies

The Company is involved in various legal actions arising in the normal course of business. After review, including consultation with legal counsel, management believes any ultimate liability that could arise from these actions would not materially affect the Company's financial position. The Company has no assets that it considers to be impaired.

The Company is contingently liable for certain costs in the event that a capitated provider is unable to meet its contractual obligations. The Company has committed no additional reserves to cover any material contingent liabilities.

The Company establishes and routinely monitors the allowance for uncollectible accounts. Management considers the allowance to be adequate.

15. Leases

A. Lessee Operating Lease

The Company leases its office facilities and certain office equipment under non-cancelable operating leases expiring in various years through 2018. Rent expense for the years ended December 31, 2013 and 2012 was \$2,254,000 and \$2,285,000, respectively.

Certain rental commitments have renewal options extending through the year 2018. Some of these renewals are subject to adjustments in future periods.

2)

a. At January 1, 2014, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2014	\$ 1,955,935
2.	2015	\$ 1,617,040
3.	2016	\$ 1,488,555
4.	2017	\$ 1,519,023
5.	2018	\$ 1,536,433
6.	Total	\$ 8,056,478

3) The Company is not involved in any sales leaseback transactions.

B. Lessor Leases

NONE

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

NONE

17. Sale, Transfers and Servicing of Financial Assets and Extinguishment of Liabilities

NONE

NOTES TO FINANCIAL STATEMENTS

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

A. Administrative Service Only (ASO) Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2013:

	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	\$.....(6,957,171)	\$.....	\$.....(6,957,171)
b. Total net other income or expenses (including interest paid to or received from plans)	\$.....(99,649)	\$.....	\$.....(99,649)
c. Net gain or (loss) from operations	\$.....(7,056,820)	\$.....0	\$.....(7,056,820)
d. Total claim payment volume	\$.....301,298,489	\$.....	\$.....301,298,489

B. Administrative Service Contract (ASC) Plans

NONE

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

1. Revenue from the Company's Medicare (or similarly structured cost based reimbursement contract) contract for the year 2013, consisted of \$123.6M for medical and hospital related services and \$14.8M for administrative expenses.
2. As of December 31 2013, the Company has no recorded receivables from payors whose account balances are greater than 10% of the Company's receivables from uninsured accident and health plans.
3. In connection with the Company's Medicare (or similarly structured cost based reimbursement contract) contract, the Company has not recorded an allowance or reserves for adjustment of recorded at December 31, 2013.
4. Centers for Medicare & Medicaid Services ("CMS") periodically performs audits of Medicare revenue and may seek return of premium payments made to the Company if risk adjustment factors are not properly supported by medical record data. We estimate and record reserves for CMS audits based on information available at the time the estimates are made. Although we believe the Company maintains appropriate reserves for its exposure to the CMS audits, actual results could differ materially from those estimates.

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

NONE

20. Fair Value Measurements

A. 1- 3.. The Company had no material assets or liabilities measured and reported at fair value at 12/31/2013

4. The following are the levels of the hierarchy and a brief description of the type of valuation inputs that are used to establish each level.

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs other than Level 1 that are based on observable market data. These include: quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, inputs that are observable that are not prices (such as interest rates, credit risks, etc.) and inputs that are derived from or corroborated by observable markets.

Level 3 – Developed from unobservable data, reflecting our own assumptions. When quoted prices in active markets for identical assets and liabilities are available, the Company uses these quoted market prices to determine the fair value of financial assets and liabilities and classify these assets and liabilities as Level 1. In other cases where a quoted market price for identical assets and liabilities in an active market is either not available or not observable, we estimate fair values using valuation methodologies based on available and observable market information or by using a matrix pricing model. These financial assets and liabilities would then be classified as Level 2. If quoted market prices are not available, the Company determines fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. In these instances, financial assets and liabilities will be classified based upon the lowest level of input that is significant to the valuation. Thus, financial assets and liabilities may be classified in Level 3 even though there may be some significant inputs that may be readily available

B. The Company had no material assets or liabilities measured and reported at fair value at 12/31/2013

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds, Short Term, and Cash Equivalent	\$128,526,099	\$127,942,426	\$5,747,852	\$122,778	\$	\$128,526,099

21. Other Items

NOTES TO FINANCIAL STATEMENTS

A. Extraordinary Items

NONE

B. Troubled Debt Restructuring: Debtors

NONE

C. Other Disclosures and Unusual Items

NONE

D. Business Interruption Insurance Recoveries

NONE

E. State Transferable and Non-Transferable Tax Credits

NONE

F. Subprime-Mortgage-Related Risk Exposure

1. The Company's exposure to subprime lending is in the fixed maturity (bond) investment portfolio which contains securities collateralized by mortgages that have characteristics of subprime lending such as low FICO scores, adjustable rate mortgages and alternative documentation mortgages. These investments are in the form of asset-backed securities and collateralized mortgage obligations which are collateralized by subprime mortgages.

2. NONE

3. NONE

4. NONE

G. Retained Assets

NONE

22. Events Subsequent

On January 1, 2014, the Company will be subject to an annual fee under section 9010 of the Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual becomes payable once the entity provides health insurance for an U.S. health risk for each calendar year beginning on or after January 1, 2014. As of December 31, 2013, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2014, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2014 to be \$7,980,000. This assessment is expected to impact risk based capital by 7%.

A.	ACA fee assessment payable	\$	7,980,000
B.	Assessment expected to impact RBC		7.0 %

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?
Yes () No (X)
If yes, give full details.
- 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)
If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

NOTES TO FINANCIAL STATEMENTS

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)
 - a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate.
 - b. What is the total amount of reinsurance credit taken, whether as an asset or as a reduction of liability for this agreement in this statement?
2. Does the reporting entity have any reinsurance agreement 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 collect under the reinsured policies?
Yes () No(X)
If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making these estimates. None
2. Have any new agreement 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)

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

B. Uncollectible Reinsurance

NONE

C. Commutation of Ceded Reinsurance

NONE

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

NONE

24. Respectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company estimates retrospective premium adjustments based on actual claims experience adjusted for estimates of claims unpaid.
- B. The Company records accrued retrospective premium as an adjustment to earned premiums.
- C. The amount of net premiums written by the Company at December 31, 2013 that were subject to retrospective rating features was \$9.9 million, that represented 1.86% of total net premiums written. No other net premiums written by the Company are subjected to retrospective rating features.

D. NONE

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2013 were \$89.9M. As of December 31, 2012, \$69.6M has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior year are now \$1.9M as a result of re-estimation of unpaid losses and loss adjustment expenses principally on the Medicaid line of business. Therefore, there has been \$20.3M favorable prior year development since December 31, 2012. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. There are no retrospectively rated contracts subject to redetermination. However, the business to which it relates is subject to premium adjustments.

26. Intercompany Pooling Arrangements

NOTES TO FINANCIAL STATEMENTS

NONE

27. Structured Settlements

NONE

28. Health Care Receivables

A. Pharmaceutical Rebates Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
09/30/2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
06/30/2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
03/31/2013	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
	\$	\$	\$	\$	\$
12/31/2012	\$ 247,769	\$	\$	\$	\$ 1,430,454
09/30/2012	\$ 278,749	\$	\$	\$	\$ 1,243,917
06/30/2012	\$ 179,167	\$ 460,600	\$	\$	\$ 967,213
03/30/2012	\$ 333,518	\$ 458,408	\$	\$	\$ 633,515

B. Risk Sharing Receivables

None

29. Participating Policies

NONE

30. Premium Deficiency Reserves

NONE

31. Anticipated Salvage and Subrogation

NONE

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] N/A []
- 1.3 State Regulating? Kansas.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2009
- 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.12/31/2009
- 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).12/21/2011
- 3.4 By what department or departments? Kansas Insurance Department.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No []
- 4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No []
- 4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
- 5.2 If yes, provide 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 []
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 KPMG LLP, ONE FINANCIAL PLAZA, HARTFORD, CT 06103-4103.....
- 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?
 Randy Oursler, Coventry Health Care, Inc., 9401 Indian Creek Parkway Suite 1300, Overland Park, KS 67210.....
- 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 or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---------------------------------------------------|----------|
| | 20.11 To directors or other officers | \$.....0 |
| | 20.12 To stockholders not officers | \$.....0 |
| | 20.13 Trustees, supreme or grand (Fraternal only) | \$.....0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---------------------------------------------------|----------|
| | 20.21 To directors or other officers | \$.....0 |
| | 20.22 To stockholders not officers | \$.....0 |
| | 20.23 Trustees, supreme or grand (Fraternal only) | \$.....0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|----------------------------|---------|
| | 21.21 Rented from others | \$..... |
| | 21.22 Borrowed from others | \$..... |
| | 21.23 Leased from others | \$..... |
| | 21.24 Other | \$..... |
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- | | | |
|--|------------------------------------------------|------------------|
| | 22.21 Amount paid as losses or risk adjustment | \$..... |
| | 22.22 Amount paid as expenses | \$.....2,968,283 |
| | 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: \$.....0

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 [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] NA [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 [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [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 [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- | | | |
|--|------------------------------------------------------------------------------------------------------------------|---------|
| | 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$..... |
| | 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$..... |
| | 24.103 Total payable for securities lending reported on the liability page | \$..... |

GENERAL INTERROGATORIES

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 securities restricted as to sale	\$.....
25.28	On deposit with state or other regulatory body	\$.....
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
State Street Bank and Trust Company.....	225 Franklin St., Boston, MA 02110.....

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
Citibank.....	State Street Bank and Trust Company.....	05/07/2013..	Aetna purchase of Company.....

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

1 Central Registration Depository Number(s)	2 Name	3 Address

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.....	127,942,426		(127,942,426)
30.2 Preferred Stocks.....	0		0
30.3 Totals	127,942,426	0	(127,942,426)

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

Fair values of long term bonds are determined based on quoted market prices when available, fair values using valuation methodologies based on available and observable market information or by using matrix pricing.....

- 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 [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] 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? \$75,089
- 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
Morgan, Lewis & Bockius LLP.....	\$.....28,376
Wallace Saunders Austin Brown & Enochs.....	\$.....22,323

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

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U. S. business only. \$0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
- 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 lives0
- 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 lives0
- 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 lives0
- 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 lives0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$699,637,188	\$	.....1,040,175,341
2.2	Premium Denominator	\$699,637,188	\$	.....1,040,175,341
2.3	Premium Ratio (2.1/2.2)	.....1.000		.....1.000
2.4	Reserve Numerator	\$45,844,657	\$	.....89,922,180
2.5	Reserve Denominator	\$45,844,657	\$	.....89,922,180
2.6	Reserve Ratio (2.4/2.5)	.....1.000		.....1.000

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] 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 [X] No []
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No []
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$415,000
- 5.32 Medical Only \$
- 5.33 Medicare Supplement \$
- 5.34 Dental and Vision \$
- 5.35 Other Limited Benefit Plan \$
- 5.36 Other \$340,000
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No []
- 7.2 If no, give details
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year15,168
- 8.2 Number of providers at end of reporting year17,773
- 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

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes No
- 10.2 If yes:
- | | | |
|-----------------------------------------------|----|-----------|
| 10.21 Maximum amount payable bonuses | \$ | 2,270,100 |
| 10.22 Amount actually paid for year bonuses | \$ | 1,346,896 |
| 10.23 Maximum amount payable withholds | \$ | |
| 10.24 Amount actually paid for year withholds | \$ | |
- 11.1 Is the reporting entity organized as:
- | | | | |
|-----------------------------------------------------|------------------------------|----------------------------------------|--|
| 11.12 A Medical Group/Staff Model, | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| 11.13 An Individual Practice Association (IPA), or, | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
| 11.14 A Mixed Model (combination of above) ? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | |
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes No
- 11.3 If yes, show the name of the state requiring such net worth. Kansas
- 11.4 If yes, show the amount required. \$ 47,580,944
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes No
- 11.6 If the amount is calculated, show the calculation.
 Eight percent of health care expenditures excluding capitation 594,761,797 x 8% = 47,580,944
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Kansas:
Allen, Anderson, Atchison, Barber, Barton, Bourbon, Brown, Butler.....
Chase, Chautauqua, Cherokee, Clay, Cloud, Coffey, Comanche, Cowley.....
Crawford, Dickinson, Doniphan, Douglas, Edwards, Elk, Ellis, Ellsworth.....
Franklin, Geary, Greenwood, Harper, Harvey, Jackson, Jefferson, Jewell.....
Johnson, Kingman, Kiowa, Labette, Leavenworth, Lincoln, Linn, Lyon.....
Marion, Marshal, McPherson, Miami, Mitchell, Montgomery, Morris, Nemaha.....
Neosho, Osage, Osborne, Ottawa, Pawnee, Phillips, Pottawatomie, Pratt.....
Reno, Republic, Rice, Riley, Rooks, Rush, Russell, Saline.....
Sedgwick, Shawnee, Smith, Stafford, Sumner, Wabaunsee, Washington, Wilson.....
Woodson, Wyandotte.....
Missouri:
Andrew, Barry, Barton, Bates, Benton, Buchanan, Caldwell, Carroll.....
Cass, Cedar, Christian, Clay, Clinton, Dade, Dallas, Daviess.....
DeKalb, Dent, Douglas, Gentry, Greene, Grundy, Harrison, Henry.....
Hickory, Howell, Jackson, Jasper, Johnson, Laclede, Lafayette, Lawrence.....
Livingston, Newton, Oregon, Ozark, Pettis, Phelps, Platte, Polk.....
Pulaski, Ray, Saline, Shannon, St. Clair, Stone, Taney, Texas.....
Vernon, Webster, Wright.....
Oklahoma:
Canadian, Cleveland, Oklahoma, Okmulgee, Payne, Rogers, Tulsa.....
Wagoner, Creek, Pawnee.....
Arkansas:
Benton, Carroll, Crawford, Franklin, Logan,.....
Montgomery, Scott, Sebastian, Washington.....

- 13.1 Do you act as a custodian for health savings accounts? Yes No
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$
- 13.3 Do you act as an administrator for health savings accounts? Yes No
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date. \$

FIVE - YEAR HISTORICAL DATA

	1 2013	2 2012	3 2011	4 2010	5 2009
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	204,423,051	248,095,965	209,166,979	168,741,414	176,137,810
2. Total liabilities (Page 3, Line 24)	88,915,611	134,363,039	94,659,334	83,676,663	76,501,290
3. Statutory surplus	47,580,944	62,485,393	30,265,826	32,147,459	34,618,864
4. Total capital and surplus (Page 3, Line 33)	115,507,439	113,732,926	114,507,645	85,064,751	99,636,520
Income Statement (Page 4)					
5. Total revenues (Line 8)	699,679,587	1,040,211,856	595,912,987	532,179,093	572,110,418
6. Total medical and hospital expenses (Line 18)	580,908,081	921,546,097	490,885,767	448,096,291	484,026,518
7. Claims adjustment expenses (Line 20)	35,236,492	34,846,129	26,057,472	19,520,107	22,268,899
8. Total administrative expenses (Line 21)	44,214,639	72,483,677	38,675,867	37,191,876	39,938,984
9. Net underwriting gain (loss) (Line 24)	39,320,376	11,335,953	40,293,879	27,370,819	25,876,017
10. Net investment gain (loss) (Line 27)	3,796,489	(40,962,837)	4,104,758	4,111,623	4,906,723
11. Total other income (Lines 28 plus 29)	(158,439)	(125,525)	(23,689)	(35,702)	(23,944)
12. Net income or (loss) (Line 32)	33,904,909	(29,732,065)	31,592,192	19,690,255	20,628,755
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	14,314,717	35,945,070	17,412,417	31,069,803	14,969,188
Risk-Based Capital Analysis					
14. Total adjusted capital	115,507,439	113,732,926	114,507,645	85,064,751	99,636,520
15. Authorized control level risk-based capital	21,397,231	33,151,537	18,700,407	16,146,042	18,071,805
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	89,819	270,520	120,739	127,861	143,045
17. Total members months (Column 6, Line 7)	1,287,646	3,339,122	1,430,124	1,542,137	1,766,556
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)	83.0	88.6	82.4	84.2	78.6
20. Cost containment expenses	1.2	0.9	1.2	1.2	1.7
21. Other claims adjustment expenses	3.9	2.5	3.2	2.5	3.0
22. Total underwriting deductions (Line 23)	94.4	98.9	93.3	94.9	91.6
23. Total underwriting gain (loss) (Line 24)	5.6	1.1	6.8	5.1	8.4
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	69,631,244	43,320,802	42,148,716	45,423,428	53,963,135
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	89,922,180	45,529,880	49,694,011	47,807,784	54,710,037
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
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	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2013 OF THE COVENTRY HEALTH CARE OF KANSAS, INC.

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, 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 Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	N							0	0
2. Alaska	AK	N							0	0
3. Arizona	AZ	N							0	0
4. Arkansas	AR	L		2,045,866					2,045,866	0
5. California	CA	N							0	0
6. Colorado	CO	N							0	0
7. Connecticut	CT	N							0	0
8. Delaware	DE	N							0	0
9. District of Columbia	DC	N							0	0
10. Florida	FL	N							0	0
11. Georgia	GA	N							0	0
12. Hawaii	HI	N							0	0
13. Idaho	ID	N							0	0
14. Illinois	IL	N							0	0
15. Indiana	IN	N							0	0
16. Iowa	IA	N							0	0
17. Kansas	KS	L	333,985,903	56,558,795	285,091	37,484,010			428,313,799	0
18. Kentucky	KY	N							0	0
19. Louisiana	LA	N							0	0
20. Maine	ME	N							0	0
21. Maryland	MD	N							0	0
22. Massachusetts	MA	N							0	0
23. Michigan	MI	N							0	0
24. Minnesota	MN	N							0	0
25. Mississippi	MS	N							0	0
26. Missouri	MO	L	4,639,346	98,166,285					102,805,631	0
27. Montana	MT	N							0	0
28. Nebraska	NE	N							0	0
29. Nevada	NV	N							0	0
30. New Hampshire	NH	N							0	0
31. New Jersey	NJ	N							0	0
32. New Mexico	NM	N							0	0
33. New York	NY	N							0	0
34. North Carolina	NC	N							0	0
35. North Dakota	ND	N							0	0
36. Ohio	OH	N							0	0
37. Oklahoma	OK	L	282,240	173,763					456,004	0
38. Oregon	OR	N							0	0
39. Pennsylvania	PA	N							0	0
40. Rhode Island	RI	N							0	0
41. South Carolina	SC	N							0	0
42. South Dakota	SD	N							0	0
43. Tennessee	TN	N							0	0
44. Texas	TX	N							0	0
45. Utah	UT	N							0	0
46. Vermont	VT	N							0	0
47. Virginia	VA	N							0	0
48. Washington	WA	N							0	0
49. West Virginia	WV	N							0	0
50. Wisconsin	WI	N							0	0
51. Wyoming	WY	N							0	0
52. American Samoa	AS	N							0	0
53. Guam	GU	N							0	0
54. Puerto Rico	PR	N							0	0
55. U.S. Virgin Islands	VI	N							0	0
56. Northern Mariana Islands	MP	N							0	0
57. Canada	CAN	N							0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		338,907,489	156,944,710	285,091	37,484,010	0	0	533,621,299	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	0
61. Total (Direct Business)	(a) 4		338,907,489	156,944,710	285,091	37,484,010	0	0	533,621,299	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
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		0	0	0	0	0	0	0	0

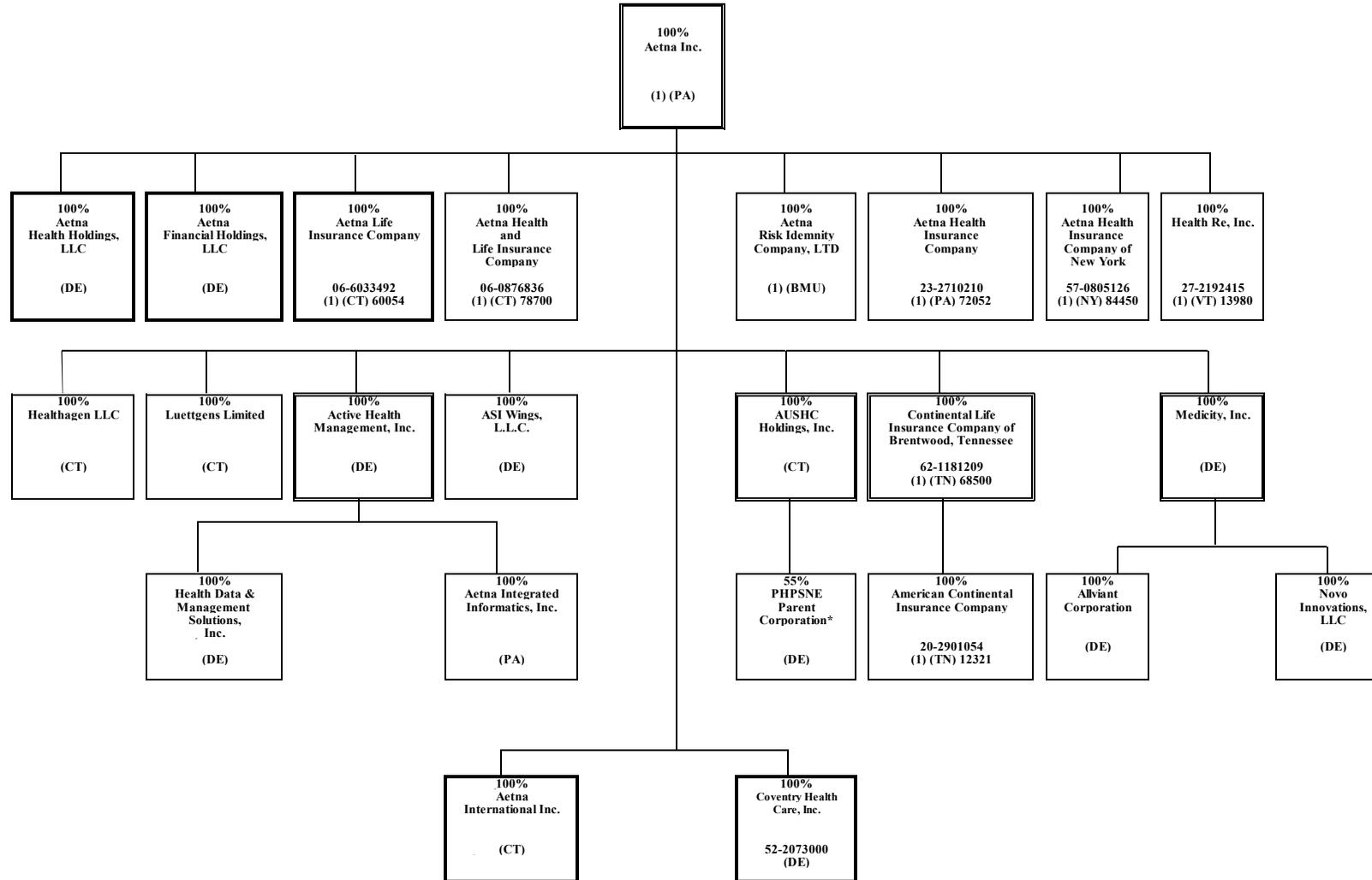
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

Explanation of basis of allocation by states, premiums by state, etc. Premiums are allocated based on the Group's state

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

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

PART 1- ORGANIZATIONAL CHART

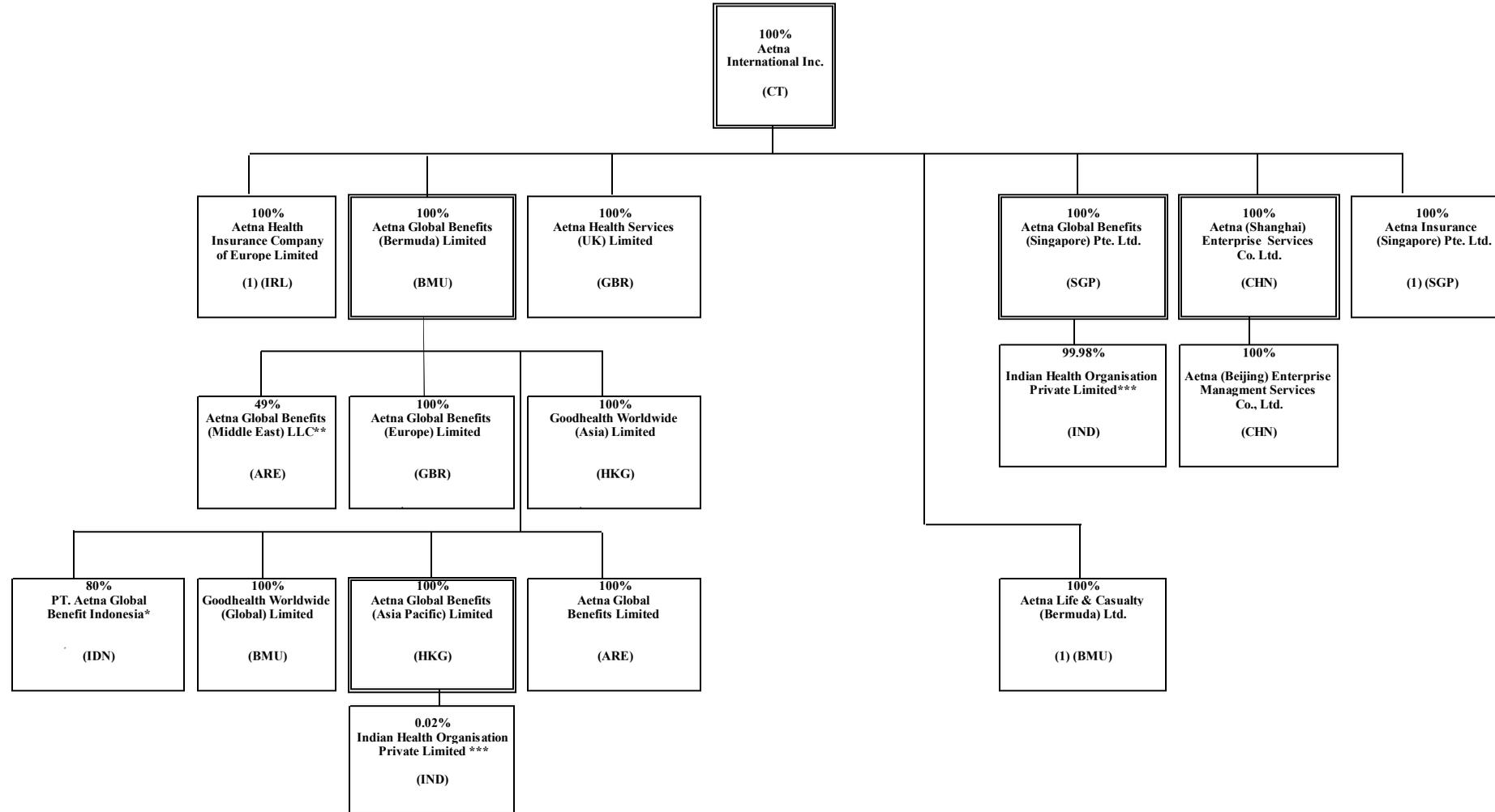


(1) Insurers/HMO's
 Percentages are rounded to the nearest whole percent and based on ownership of voting rights.
 Double borders indicate entity has subsidiaries shown on the same page.
 Bold borders indicate entity has subsidiaries shown on a separate page.

*55% is owned by AUSHC Holdings, Inc. and 45% is owned by third parties.

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

PART 1- ORGANIZATIONAL CHART



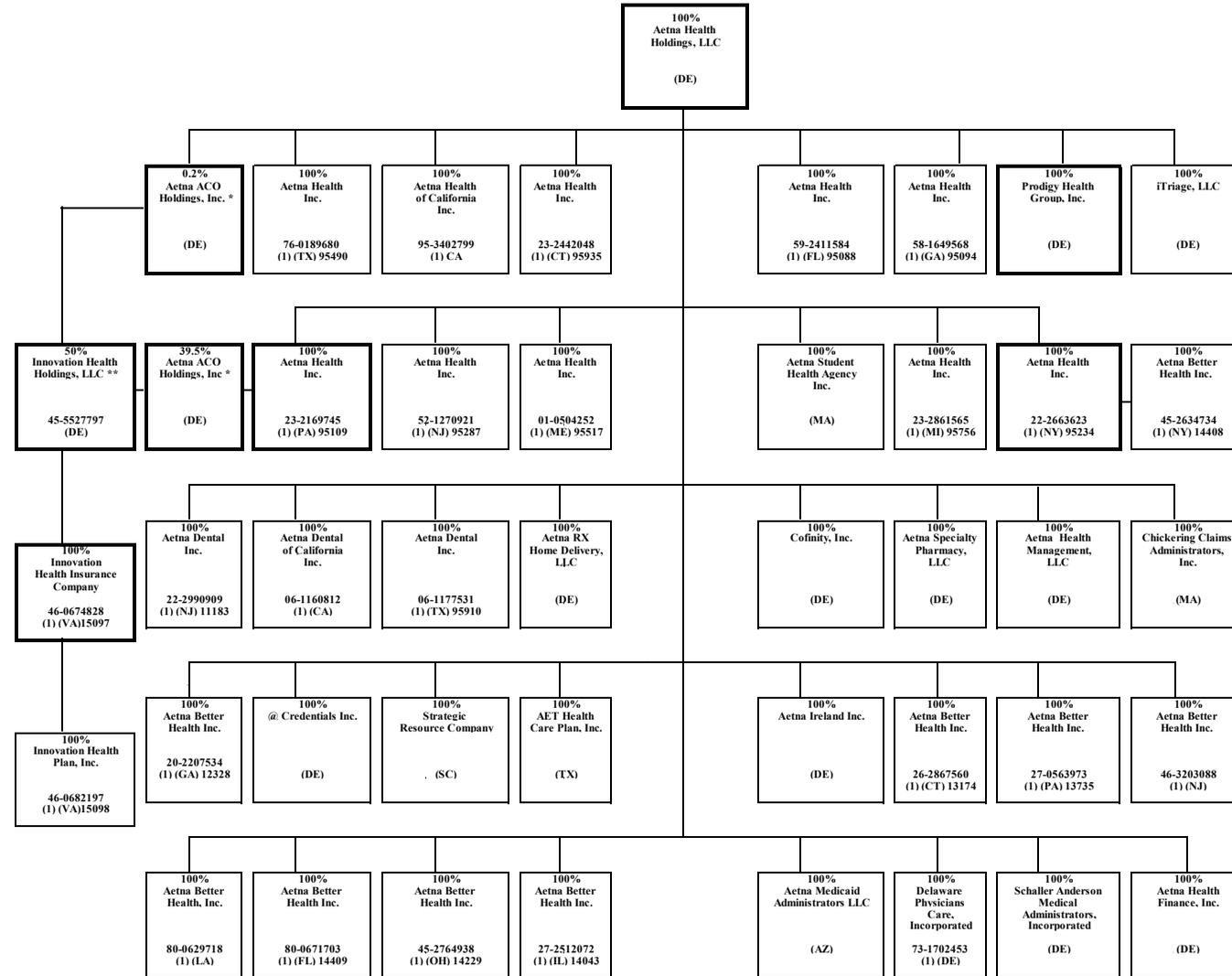
*Aetna Global Benefits (Bermuda) Limited owns 80% and 20% is owned by Suhatsyah Rivai, Aetna's Nominee.

** Aetna Global Benefits (Bermuda) Limited owns 49% and 51% is owned by Euro Gulf LLC, Aetna's Nominee.

*** Aetna Global Benefits (Asia Pacific) Limited owns 0.019857% of Indian Health Organization Private Limited and Aetna Global Benefits (Singapore) Pte. Ltd. owns 99.980143%.

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

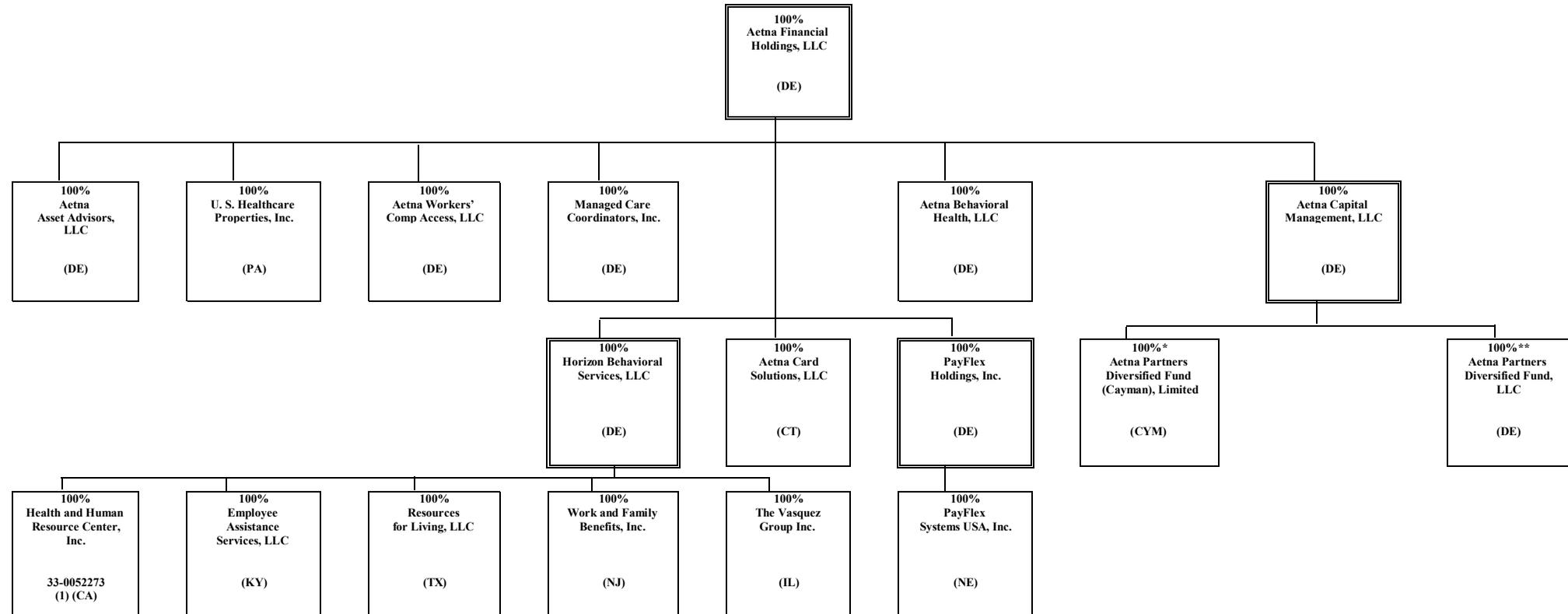
PART 1- ORGANIZATIONAL CHART



* Actna Life Insurance Company owns 302 shares, Actna Health Inc. (PA) owns 198 shares and Actna Health Holdings, LLC owns 1 share.
 ** Innovation Health Holdings, LLC is 50% owned by Actna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.

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

PART 1- ORGANIZATIONAL CHART

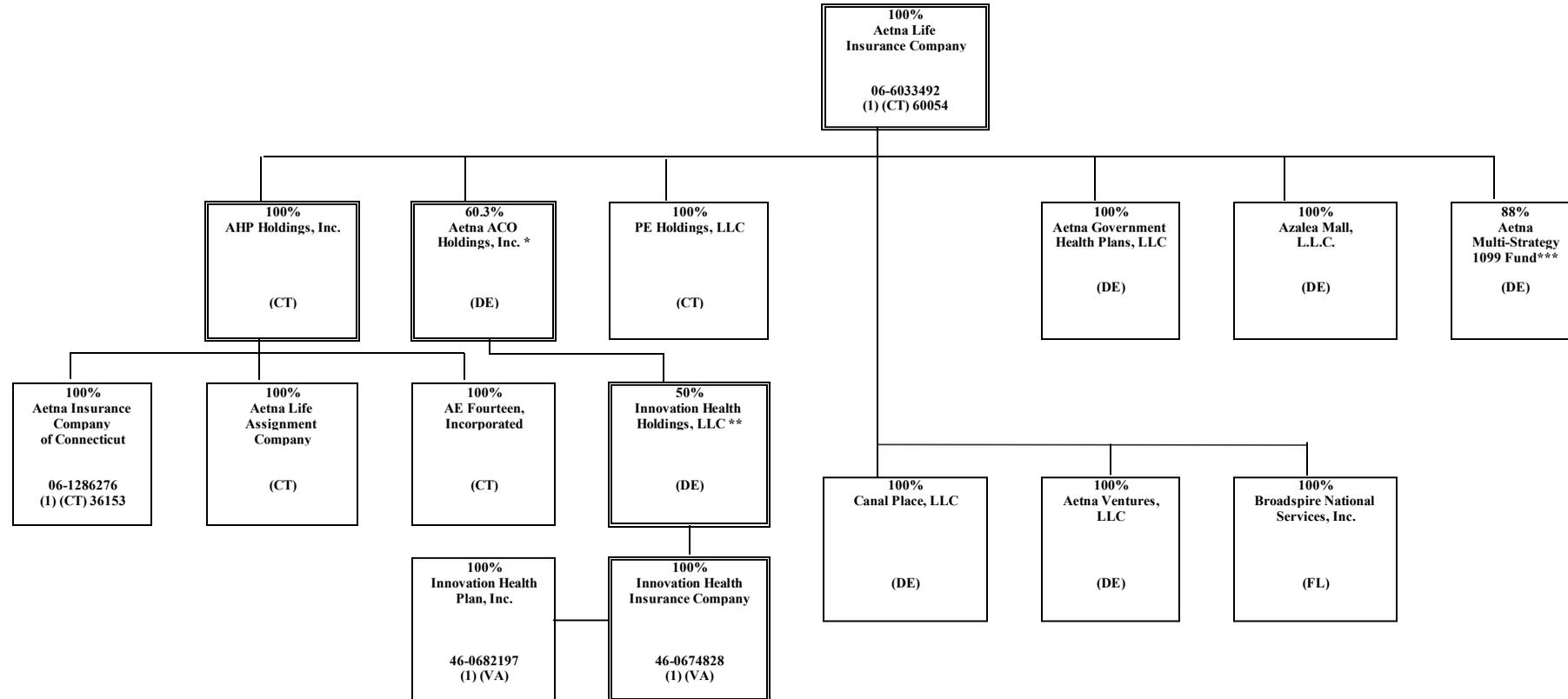


* Aetna Life Insurance Company owns the Class C participating shares of Aetna Partners Diversified Fund (Cayman), Limited.

** Aetna Life Insurance Company and Aetna Health and Life Insurance Company own substantially all of the non-managing member interests of Aetna Partners Diversified Fund, LLC.

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

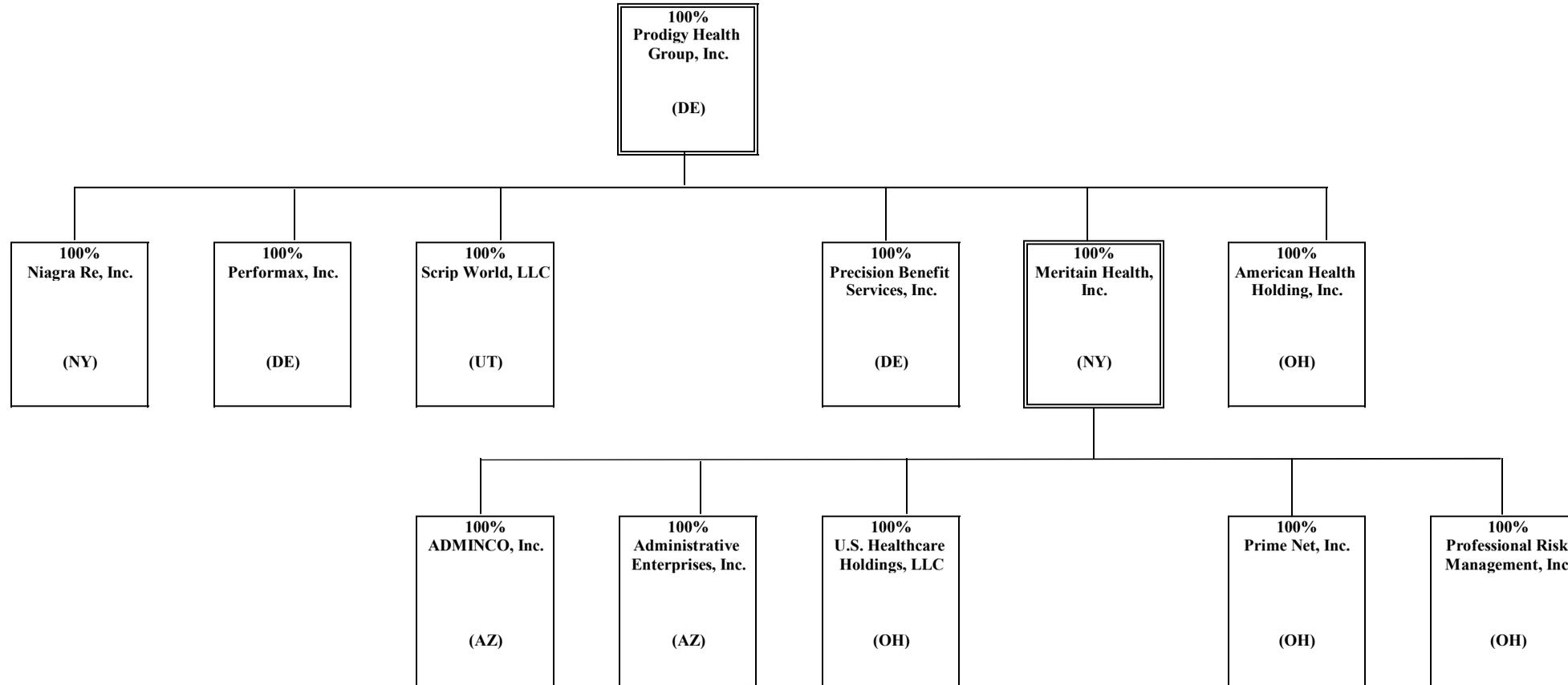
PART 1- ORGANIZATIONAL CHART



* Aetna Life Insurance Company owns 302 shares, Aetna Health Inc. (PA) owns 198 shares and Aetna Health Holdings, LLC owns 1 share.
 ** Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.
 ***88% is invested and owned by Aetna Life Insurance Company and 12% is invested and owned by external accredited investors.

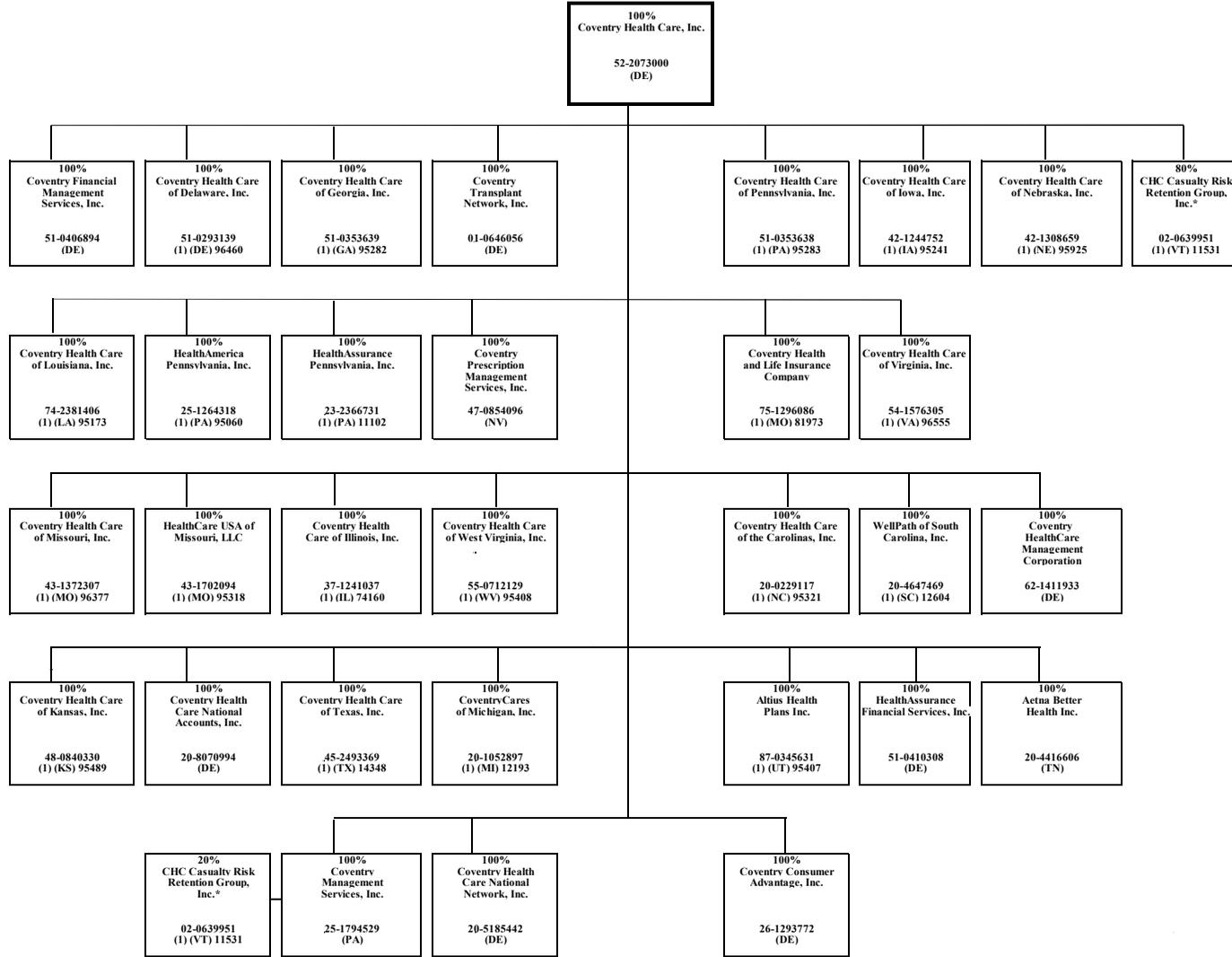
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART



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

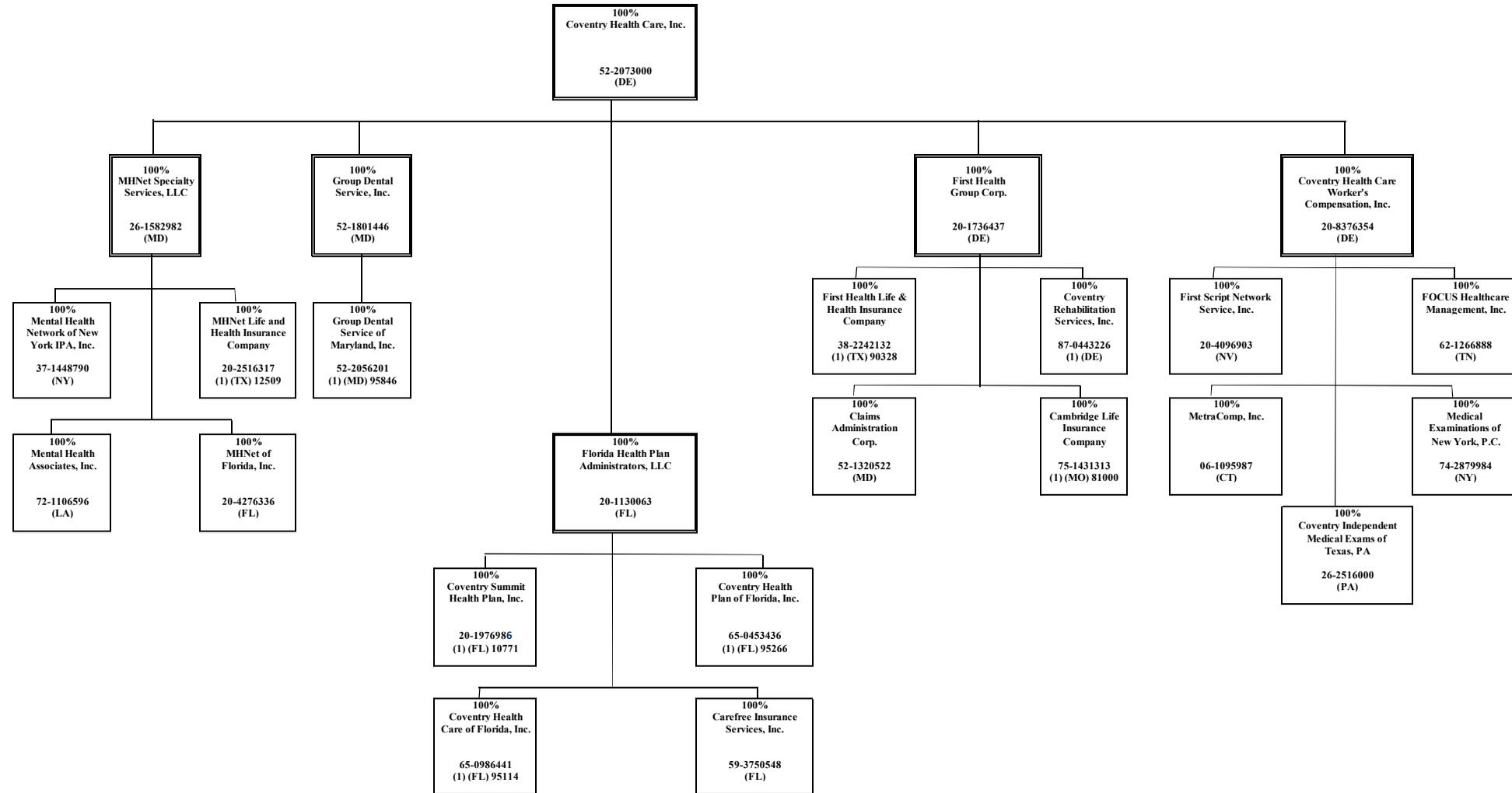
PART I- ORGANIZATIONAL CHART



* CHC Casualty Risk Retention Group, Inc. is 20% owned by Coventry Management Services, Inc. and 80% owned by Coventry Health Care, Inc.

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

PART 1- ORGANIZATIONAL CHART



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ALPHABETICAL INDEX

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