



QUARTERLY STATEMENT

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

WellCare Health Insurance Company of Kentucky, Inc.

NAIC Group Code 01199 , 01199 NAIC Company Code 64467 Employer's ID Number 36-6069295
(Current Period) (Prior Period)

Organized under the Laws of Kentucky , State of Domicile or Port of Entry Kentucky

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
 Other Is HMO Federally Qualified? Yes No

Incorporated/Organized 03/27/1962 Commenced Business 08/31/1962

Statutory Home Office 13551 Triton Park Blvd, Suite 1800 , Louisville, KY, US 40223
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 8735 Henderson Road Tampa, FL, US 33634 813-290-6200
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 31391 Tampa, FL, US 33631-3391
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 8735 Henderson Road Tampa, FL, US 33634 813-290-6200
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.wellcare.com

Statutory Statement Contact Mike Wasik 813-206-2725
(Name) (Area Code) (Telephone Number) (Extension)
michael.wasik@wellcare.com 813-675-2899
(E-Mail Address) (FAX Number)

OFFICERS

Name	Title	Name	Title
<u>Kelly Ann Munson</u>	<u>State President</u>	<u>Thomas Lacy Tran</u>	<u>CFO and Treasurer</u>
<u>Lisa Gonzalez Iglesias</u>	<u>Secretary</u>	<u>Maurice Sebastian Hebert</u>	<u>Asst Treasurer and CAO</u>

OTHER OFFICERS

DIRECTORS OR TRUSTEES

<u>Thomas Lacy Tran</u>	<u>Maurice Sebastian Hebert</u>	<u>Lisa Gonzalez Iglesias</u>
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State of Florida

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County of Hillsborough

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.

Kelly Ann Munson
State President

Thomas Lacy Tran
CFO and Treasurer

Maurice Sebastian Hebert
Asst Treasurer and CAO

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

a. Is this an original filing? Yes No

b. If no:
 1. State the amendment number _____
 2. Date filed _____
 3. Number of pages attached _____

STATEMENT AS OF MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	7,929,297		7,929,297	3,666,366
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
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 (\$206,558,487), cash equivalents (\$25,050,204) and short-term investments (\$ 85,076,910)	316,685,601		316,685,601	248,290,143
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	324,614,898	0	324,614,898	251,956,510
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	217,717		217,717	163,452
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	36,214,321		36,214,321	8,687,445
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	6,690,737		6,690,737	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	1,948,421		1,948,421	2,199,482
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	2,309,596
18.1 Current federal and foreign income tax recoverable and interest thereon			0	2,475,868
18.2 Net deferred tax asset	5,938,939		5,938,939	6,097,215
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	768,223	768,223	0	0
24. Health care (\$16,934,558) and other amounts receivable	17,225,786	290,878	16,934,908	13,937,590
25. Aggregate write-ins for other-than-invested assets	5,879,998	5,775,247	104,751	3,525,454
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	399,499,040	6,834,348	392,664,692	291,352,612
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	399,499,040	6,834,348	392,664,692	291,352,612
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Other non-admitted assets (prepaids)	834,998	834,998	0	0
2502. ASO prepayments	5,045,000	4,940,249	104,751	3,274,539
2503. State and other taxes recoverable			0	250,915
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)	5,879,998	5,775,247	104,751	3,525,454

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded).....	182,584,364		182,584,364	139,031,713
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	2,017,998		2,017,998	1,461,883
4. Aggregate health policy reserves including the liability of \$ for medical loss ratio rebate per the Public Health Service Act			0	691,840
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserve			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	20,851,563		20,851,563	1,898,459
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))	19,139,879		19,139,879	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable	135,642		135,642	357,562
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	25,060,634		25,060,634	24,110,056
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 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	216,543		216,543	0
23. Aggregate write-ins for other liabilities (including \$ current)	232,120	0	232,120	253,758
24. Total liabilities (Lines 1 to 23).....	250,238,743	0	250,238,743	167,805,271
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	137,298,516	137,298,516
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	2,627,433	(16,251,175)
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	142,425,949	123,547,341
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	392,664,692	291,352,612
DETAILS OF WRITE-INS				
2301. Unclaimed property payable.....	232,120		232,120	253,758
2302.				
2303.				
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)	232,120	0	232,120	253,758
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	1,340,827	866,255	3,871,440
2. Net premium income (including \$ non-health premium income).....	XXX	534,751,916	317,572,792	1,403,689,103
3. Change in unearned premium reserves and reserve for rate credits	XXX		0	0
4. Fee-for-service (net of \$ medical expenses)	XXX		0	0
5. Risk revenue	XXX		0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0	0
8. Total revenues (Lines 2 to 7)	XXX	534,751,916	317,572,792	1,403,689,103
Hospital and Medical:				
9. Hospital/medical benefits		277,583,497	198,158,059	869,292,267
10. Other professional services		32,976,460	4,046,466	18,964,842
11. Outside referrals			0	0
12. Emergency room and out-of-area		24,258,577	10,111,098	75,184,521
13. Prescription drugs		107,291,176	70,047,672	277,759,418
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0	0
16. Subtotal (Lines 9 to 15)	0	442,109,710	282,363,295	1,241,201,048
Less:				
17. Net reinsurance recoveries		427,929	11,114,690	14,660,131
18. Total hospital and medical (Lines 16 minus 17)	0	441,681,781	271,248,605	1,226,540,917
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 6,623,326 cost containment expenses.....		16,010,544	9,549,282	43,011,615
21. General administrative expenses.....		43,660,223	18,730,264	74,134,413
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....			0	0
23. Total underwriting deductions (Lines 18 through 22)	0	501,352,548	299,528,151	1,343,686,945
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	33,399,368	18,044,641	60,002,158
25. Net investment income earned		191,158	126,239	584,527
26. Net realized capital gains (losses) less capital gains tax of \$.....			0	0
27. Net investment gains (losses) (Lines 25 plus 26)	0	191,158	126,239	584,527
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0	0
29. Aggregate write-ins for other income or expenses	0	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	33,590,526	18,170,880	60,586,685
31. Federal and foreign income taxes incurred	XXX	19,987,273	6,316,950	21,712,641
32. Net income (loss) (Lines 30 minus 31)	XXX	13,603,253	11,853,930	38,874,044
DETAILS OF WRITE-INS				
0601.	XXX			
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0	0
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0	0
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0	0
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	123,547,341	68,584,716	68,584,716
34. Net income or (loss) from Line 32	13,603,253	11,853,930	38,874,044
35. Change in valuation basis of aggregate policy and claim reserves		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0	0
37. Change in net unrealized foreign exchange capital gain or (loss)		0	0
38. Change in net deferred income tax	(158,276)	(621,656)	3,053,447
39. Change in nonadmitted assets	5,433,631	1,690,262	(7,117,889)
40. Change in unauthorized and certified reinsurance	0	0	0
41. Change in treasury stock		0	0
42. Change in surplus notes	0	0	0
43. Cumulative effect of changes in accounting principles		0	0
44. Capital Changes:			
44.1 Paid in		0	0
44.2 Transferred from surplus (Stock Dividend)		0	0
44.3 Transferred to surplus		0	0
45. Surplus adjustments:			
45.1 Paid in		15,000,000	20,000,000
45.2 Transferred to capital (Stock Dividend)	0	0	0
45.3 Transferred from capital		0	0
46. Dividends to stockholders		0	0
47. Aggregate write-ins for gains or (losses) in surplus	0	0	153,023
48. Net change in capital and surplus (Lines 34 to 47)	18,878,608	27,922,536	54,962,625
49. Capital and surplus end of reporting period (Line 33 plus 48)	142,425,949	96,507,252	123,547,341
DETAILS OF WRITE-INS			
4701. Correction of Error - Revised CMS risk corridor calculation related to prior years.....		0	153,023
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	153,023

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	499,620,542	302,449,047	1,397,564,377
2. Net investment income	150,079	123,805	486,348
3. Miscellaneous income	0	0	0
4. Total (Lines 1 to 3)	499,770,621	302,572,852	1,398,050,725
5. Benefit and loss related payments	400,875,318	258,832,505	1,180,024,520
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	37,384,494	20,589,422	120,422,041
8. Dividends paid to policyholders		0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	(1,628,474)	(742,057)	26,637,551
10. Total (Lines 5 through 9)	436,631,338	278,679,870	1,327,084,112
11. Net cash from operations (Line 4 minus Line 10)	63,139,283	23,892,982	70,966,613
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	0	0	175,000
12.2 Stocks	0	0	0
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	0	175,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds	4,276,114	0	3,688,715
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	4,276,114	0	3,688,715
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(4,276,114)	0	(3,513,715)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	15,000,000	20,000,000
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied).....	9,532,289	(8,776,433)	5,485,743
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	9,532,289	6,223,567	25,485,743
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)	68,395,458	30,116,549	92,938,641
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	248,290,143	155,351,502	155,351,502
19.2 End of period (Line 18 plus Line 19.1)	316,685,601	185,468,051	248,290,143

STATEMENT AS OF MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	358,547	31,753	.0	.0	.0	.0	.0	2,751	260,354	63,689
2. First Quarter	468,998	30,701	.0	.0	.0	.0	.0	3,733	341,411	93,153
3. Second Quarter .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Third Quarter .....	.0									
5. Current Year	0									
6. Current Year Member Months	1,340,827	92,721						10,854	962,974	274,278
Total Member Ambulatory Encounters for Period:										
7. Physician	580,629	7,156						10,517	562,956	
8. Non-Physician	402,842	9,076						3,261	390,505	
9. Total	983,471	16,232	0	0	0	0	0	13,778	953,461	0
10. Hospital Patient Days Incurred	70,957	4,357						2,554	64,046	
11. Number of Inpatient Admissions	14,975	478						374	14,123	
12. Health Premiums Written (a).....	534,871,984	29,382,171						10,071,523	467,385,058	28,033,232
13. Life Premiums Direct.....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned	534,871,984	29,382,171						10,071,523	467,385,058	28,033,232
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services	401,554,309	23,855,564						7,952,684	342,939,746	26,806,315
18. Amount Incurred for Provision of Health Care Services	442,109,710	22,481,024						8,852,139	385,344,541	25,432,006

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 10,071,523

STATEMENT AS OF MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

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

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec. 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	5,341,536	18,535,724	2,039,195	5,592,319	7,380,731	9,027,706
2. Medicare Supplement .....					.0	.0
3. Dental only .....					.0	.0
4. Vision only .....					.0	.0
5. Federal Employees Health Benefits Plan .....					.0	.0
6. Title XVIII - Medicare	2,727,569	5,088,753	986,988	3,627,617	3,714,557	3,578,787
7. Title XIX - Medicaid	87,442,678	254,535,658	34,779,908	133,645,244	122,222,586	125,486,920
8. Other health	841,300	23,615,913	.0	1,913,093	841,300	938,300
9. Health subtotal (Lines 1 to 8).....	96,353,083	301,776,048	37,806,091	144,778,273	134,159,174	139,031,713
10. Health care receivables (a) .....					.0	.0
11. Other non-health .....					.0	.0
12. Medical incentive pools and bonus amounts .....					.0	.0
13. Totals (Lines 9-10+11+12)	96,353,083	301,776,048	37,806,091	144,778,273	134,159,174	139,031,713

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

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of WellCare Health Insurance Company of Kentucky, Inc. (the “Company”), domiciled in the state of Kentucky, are presented on the basis of accounting practices prescribed or permitted by the Kentucky Department of Insurance (the “Department”).

The Department recognizes only statutory accounting practices prescribed or permitted by the state of Kentucky for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under Illinois insurance law. The National Association of Insurance Commissioners Accounting Practices and Procedures manual, (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the state of Kentucky. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. These modifications had no effect on statutory surplus.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Kentucky is shown below:

	For the three month period ended March 31,	
	<u>2014</u>	<u>2013</u>
Net Income - Kentucky Basis	\$ 13,603,253	\$ 11,853,930
State Prescribed Practices - None	-	-
State Permitted Practices - None	-	-
Net Income - NAIC SAP	\$ 13,603,253	\$ 11,853,930
Balance at		
	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Statutory Capital and Surplus - Kentucky Basis	\$ 142,425,949	\$ 123,547,341
State Prescribed Practices - None	-	-
State Permitted Practices - None	-	-
Statutory Capital and Surplus - NAIC SAP	\$ 142,425,949	\$ 123,547,341

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

No significant change.

C. Accounting Policy

No significant change.

2. Accounting Changes and Correction of Errors

None.

3. Business Combinations and Goodwill

None.

4. Discontinued Operations

No significant change.

5. Investments

No significant change.

D. Loan-Backed Securities – None

6. Joint Ventures, Partnerships and Limited Liability Companies

None.

7. Investment Income

No significant change.

8. Derivative Instruments

None.

9. Income Taxes

No significant change.

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

NOTES TO FINANCIAL STATEMENTS

No significant change.

11. Debt

None.

12. Retirement Plans, Deferred Compensation, Etc.

No significant change.

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

No significant change.

14. Contingencies

A. Contingent Commitments – No significant change.

B. Assessments – No significant change.

C. Gain Contingencies – No significant change.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming From Lawsuits - No significant change.

E. All Other Contingencies – The Company's ultimate parent, WellCare, is a party to a number of legal actions and regulatory investigations. These matters do not directly involve the Company and management does not expect the matters to have an impact on the Company's financial position.

15. Leases

No significant change.

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

No significant change.

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

None.

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

No significant change.

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

No significant change.

20. Fair Value Measurement

The company has no assets disclosed at fair value at March 31, 2014.

21. Other Items

The Affordable Care Act imposes an annual fee on health insurers, payable to the U.S. government, calculated on net premiums and third-party administrative agreement fees. The accounting guidance states the liability and expense are recognized on January 1, 2014 and each year thereafter. By September 30, 2014 and each year thereafter the liability must be paid. At December 31, 2014 and each year thereafter, the estimate for the following years fee is separately segregated within surplus as an aggregate write-in. In accordance with SSAP No. 35R, *Guaranty Fund and Other Assessments*, the Company expensed \$18,575,083 on January 1, 2014 for our estimate of the amount payable. The expense is included on Page 4, Line 21 of the Statement of Revenues and Expenses and the liability is included on Line 9 of Page 3, Liabilities, Capital and Surplus.

We have received a signed amendment from our state Medicaid customer in Kentucky which provides for them to reimburse us for the portion of the ACA industry fee attributable to the Medicaid programs in that state, including the related state and federal income tax gross-ups. The execution of these amendments and agreements enabled us to recognize approximately \$7.0 million reimbursement as premium revenue in the quarter ended March 31, 2014.

22. Events Subsequent

None.

23. Reinsurance.

No significant change.

24. Retrospectively Rated Contracts

None.

25. Change in Incurred Claims and Claim Adjustment Expenses

NOTES TO FINANCIAL STATEMENTS

The estimated cost of claims expense attributable to insured events of the prior year decreased by \$4,872,539 during 2014. This is approximately 4% of unpaid claims expenses of \$139,031,713 as of December 31, 2013. Excluding the prior period development related to the release of the provision for moderately adverse conditions, medical benefits expense for the period ending March 31, 2014 was impacted by approximately \$5,232,779 of net unfavorable development related to prior periods. This development is primarily the result of lower than anticipated claims in the Company's Kentucky Medicaid program.

Statement of Statutory Accounting Principles (SSAP) No. 85 – *Claim Adjustment Expenses* requires that claim adjustment expenses, including legal expenses, be subdivided into cost containment expenses and other claim adjustment expenses. Cost containment expenses are intended to reduce the number of health services provided or the cost of such services. Other claim adjustment expenses are all other costs which do not meet the definition of cost containment expenses. Cost containment expenses were \$6,623,326 for the three month period ending March 31, 2014.

26. Intercompany Pooling.

None.

27. Structured Settlements

None.

28. Health Care Receivables.

No significant change.

29. Participating Policies

None.

30. Premium Deficiency Reserves

None.

31. Anticipated Salvage and Subrogation.

No significant change.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No []
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
Acquisitions made by Holding Company System
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2012
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2007
- 6.3 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).05/15/2009
- 6.4 By what department or departments?
Illinois Department of Insurance.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] NA [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

GENERAL INTERROGATORIES

- 9.1 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 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.

9.11 If the response to 9.1 is No, please explain:

- 9.2 Has the code of ethics for senior managers been amended? Yes No

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No

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

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$0

13. Amount of real estate and mortgages held in short-term investments: \$0

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No

- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$
 - 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$
 - 16.3 Total payable for securities lending reported on the liability page \$

17. 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 [X]

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

1 Name of Custodian(s)	2 Custodian Address

17.2 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)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address

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

18.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES

PART 2 - HEALTH

- | | | | |
|----|--|---------|--------|
| 1. | Operating Percentages: | | |
| | 1.1 A&H loss percent..... | 83.8 | % |
| | 1.2 A&H cost containment percent | 1.2 | % |
| | 1.3 A&H expense percent excluding cost containment expenses..... | 9.9 | % |
| | 2.1 Do you act as a custodian for health savings accounts?..... | Yes [] | No [X] |
| | 2.2 If yes, please provide the amount of custodial funds held as of the reporting date..... | \$ | |
| | 2.3 Do you act as an administrator for health savings accounts?..... | Yes [] | No [X] |
| | 2.4 If yes, please provide the balance of the funds administered as of the reporting date..... | \$ | |

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
NONE								

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	L	5,640,493						5,640,493	
2. Alaska	AK	L							0	
3. Arizona	AZ	L							0	
4. Arkansas	AR	L	6,658,815						6,658,815	
5. California	CA	L							0	
6. Colorado	CO	L	3,974,678						3,974,678	
7. Connecticut	CT	L	5,392,319						5,392,319	
8. Delaware	DE	L							0	
9. Dist. Columbia	DC	L							0	
10. Florida	FL	L							0	
11. Georgia	GA	L							0	
12. Hawaii	HI	L							0	
13. Idaho	ID	L							0	
14. Illinois	IL	L							0	
15. Indiana	IN	L							0	
16. Iowa	IA	L							0	
17. Kansas	KS	L							0	
18. Kentucky	KY	L	29,382,171	10,071,523	467,385,058				506,838,752	
19. Louisiana	LA	L							0	
20. Maine	ME	L							0	
21. Maryland	MD	L							0	
22. Massachusetts	MA	L							0	
23. Michigan	MI	L							0	
24. Minnesota	MN	L	3,112,703						3,112,703	
25. Mississippi	MS	L							0	
26. Missouri	MO	L							0	
27. Montana	MT	L	1,046,892						1,046,892	
28. Nebraska	NE	L							0	
29. Nevada	NV	L							0	
30. New Hampshire	NH	L							0	
31. New Jersey	NJ	L							0	
32. New Mexico	NM	L							0	
33. New York	NY	L							0	
34. North Carolina	NC	L							0	
35. North Dakota	ND	L							0	
36. Ohio	OH	L							0	
37. Oklahoma	OK	L							0	
38. Oregon	OR	L							0	
39. Pennsylvania	PA	L							0	
40. Rhode Island	RI	L	2,207,332						2,207,332	
41. South Carolina	SC	L							0	
42. South Dakota	SD	L							0	
43. Tennessee	TN	L							0	
44. Texas	TX	L							0	
45. Utah	UT	L							0	
46. Vermont	VT	L							0	
47. Virginia	VA	L							0	
48. Washington	WA	L							0	
49. West Virginia	WV	L							0	
50. Wisconsin	WI	L							0	
51. Wyoming	WY	L							0	
52. American Samoa	AS	L							0	
53. Guam	GU	L							0	
54. Puerto Rico	PR	L							0	
55. U.S. Virgin Islands	VI	L							0	
56. Northern Mariana Islands	MP	L							0	
57. Canada	CAN	L							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		57,415,403	10,071,523	467,385,058	0	0	0	534,871,984	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 43		57,415,403	10,071,523	467,385,058	0	0	0	534,871,984	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.

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

STATEMENT AS OF MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
01199	WellCare Health Plans Inc.	95310	14-1647239				WellCare of Connecticut Inc.	CT	IA	WellCare of New York, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	95081	59-2583622				WellCare of Florida Inc.	FL	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	59-3547616				Comprehensive Health Management Inc.	FL	NIA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	14-1647239				The WellCare Management Group, Inc.	NY	UDP	WCG Health Management, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	95534	14-1676443				WellCare of New York Inc.	NY	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	20-3320236				Harmony Behavioral Health Inc.	FL	NIA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	11229	36-4050495				Harmony Health Plan of Illinois Inc.	IL	IA	Harmony Health Systems, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	12194	90-0247713				WellCare of Louisiana Inc.	LA	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	22-3391045				Harmony Health Systems Inc.	IL	NIA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	36-4467676				Harmony Health Management Inc.	IL	NIA	Harmony Health Systems, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	47-0937650			NYSE	WellCare Health Plans Inc.	FL	UIP	Shareholders.		0.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	04-3669698				WCG Health Management Inc.	FL	UIP	WellCare Health Plans, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	10760	20-2103320				WellCare of Georgia Inc.	GA	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	98-0448921				Comprehensive Reinsurance Ltd.	CYM	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	10155	20-2383134				WellCare Prescription Insurance Inc.	FL	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	12749	20-3562146				WellCare of Ohio Inc.	OH	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	20-3262322				Harmony Behavioral Health IPA Inc.	NY	NIA	Harmony Behavioral Health, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	20-4869374				WellCare Pharmacy Benefits Management In.	DE	NIA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	83445	86-0269558				WellCare Health Insurance of Arizona Inc.	AZ	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	64467	36-6069295				WellCare Health Insurance Company of Kentucky Inc.	KY	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	12956	11-3197523				WellCare Health Insurance of New York Inc.	NY	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	13020	20-8017319				WellCare Health Plans of New Jersey Inc.	NJ	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	12964	20-8058761				WellCare of Texas Inc.	TX	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	0
01199	WellCare Health Plans Inc.	00000	20-8420512				Exactus Pharmacy Solutions, Inc.	DE	NIA	WellCare Pharmacy Benefits Management	Ownership	100.0	WellCare Health Plans, Inc.	0

STATEMENT AS OF MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	Federal ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name of Parent Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/ Person(s)	*
01199	WellCare Health Plans Inc.	00000	27-0386122				Ohana Health Plans, Inc.	HI	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	27-4293249				WellCare Health Plans of California, Inc.	CA	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	14404	45-3617189				WellCare of Kansas, Inc.	KS	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	45-5154364				WellCare Health Plans of Tennessee, Inc.	TN	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	45-3236788				America's 1st Choice California Holdings, LLC	FL	NIA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	20-5327501				Easy Choice Health Plan, Inc.	CA	IA	America's 1st Choice California Holdings, LLC	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	11775	32-0062883				WellCare of South Carolina, Inc.	SC	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	46-2078909				WellCare of Nevada, Inc.	NV	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	12913	20-5862801				Missouri Care, Incorporated	MO	IA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	27-4212954				The WellCare Community Foundation	DE	NIA	WellCare Health Plans, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	62-1832645				Windsor Health Group, Inc.	TN	NIA	The WellCare Management Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	62-1530448				Windsor Management Services, Inc.	TN	NIA	Windsor Health Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	95792	62-1531881				Windsor Health Plans, Inc.	TN	IA	Windsor Health Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	77399	13-1867829				Sterling Life Insurance Company	IL	IA	Windsor Health Group, Inc.	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	91-1500758				Olympic Health Management Systems, Inc.	WA	NIA	Sterling Life Insurance Company	Ownership	100.0	WellCare Health Plans, Inc.	.0
01199	WellCare Health Plans Inc.	00000	91-1599329				Olympic Health Management Services, Inc.	WA	NIA	Sterling Life Insurance Company	Ownership	100.0	WellCare Health Plans, Inc.	.0

16.1

Asterisk	Explanation

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

.....YES.....

Explanation:

Bar Code:

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A – VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other-than-temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other-than-temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	3,666,366	178,411
2. Cost of bonds and stocks acquired	4,276,114	3,688,715
3. Accrual of discount	0	0
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration for bonds and stocks disposed of	0	175,000
7. Deduct amortization of premium	13,183	25,759
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other-than-temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	7,929,297	3,666,366
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	7,929,297	3,666,366

STATEMENT AS OF MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	76,492,349	283,317,308	267,441,579	(93,156)	92,274,922	0	0	76,492,349
2. NAIC 2 (a).....	601,611	782,350	600,000	(2,472)	781,489	0	0	601,611
3. NAIC 3 (a).....	0	0	0	0	0	0	0	0
4. NAIC 4 (a).....	0	0	0	0	0	0	0	0
5. NAIC 5 (a).....	0	0	0	0	0	0	0	0
6. NAIC 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds	77,093,960	284,099,658	268,041,579	(95,627)	93,056,411	0	0	77,093,960
PREFERRED STOCK								
8. NAIC 1.....	0	0	0	0	0	0	0	0
9. NAIC 2.....	0	0	0	0	0	0	0	0
10. NAIC 3.....	0	0	0	0	0	0	0	0
11. NAIC 4.....	0	0	0	0	0	0	0	0
12. NAIC 5.....	0	0	0	0	0	0	0	0
13. NAIC 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	77,093,960	284,099,658	268,041,579	(95,627)	93,056,411	0	0	77,093,960

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$0 ; NAIC 2 \$0 ; NAIC 3 \$0 ; NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

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SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	85,076,910	XXX	85,183,143	32,477	15,184

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	72,871,890	35,861,787
2. Cost of short-term investments acquired	279,727,843	892,177,943
3. Accrual of discount	28	106
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals	0	331
6. Deduct consideration received on disposals	267,441,579	855,033,623
7. Deduct amortization of premium.....	81,272	134,654
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	85,076,910	72,871,890
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	85,076,910	72,871,890

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	25,555,703	25,000,000
2. Cost of cash equivalents acquired	95,701	1,698,559
3. Accrual of discount	0	11
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals	600,000	1,135,000
7. Deduct amortization of premium	1,201	7,868
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	25,050,204	25,555,703
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	25,050,204	25,555,703

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

Schedule D - Part 4

NONE

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2014 OF THE WellCare Health Insurance Company of Kentucky, Inc.

MEDICARE PART D COVERAGE SUPPLEMENT

(Net of Reinsurance)

NAIC Group Code.....01199

NAIC Company Code.....64467

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected.....	20,633,280	XXX		XXX	20,633,280
2. Earned Premiums	35,415,809	XXX		XXX	XXX
3. Claims Paid.....	26,806,315	XXX		XXX	26,806,315
4. Claims Incurred.....	25,432,006	XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing – Claims Paid Net of Reimbursements Applied (a).....	XXX		XXX		.0
6. Aggregate Policy Reserves - Change.....	7,382,577	XXX		XXX	XXX
7. Expenses Paid.....	2,076,444	XXX		XXX	2,076,444
8. Expenses Incurred.....	2,076,444	XXX		XXX	XXX
9. Underwriting Gain or Loss.....	524,782	XXX	.0	XXX	XXX
10. Cash Flow Result	XXX	XXX	XXX	XXX	(8,249,479)

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$0 due from CMS or \$315,365 due to CMS