



# QUARTERLY STATEMENT

AS OF JUNE 30, 2015  
OF THE CONDITION AND AFFAIRS OF THE

## Envision Insurance Company

NAIC Group Code 00000 (Current Period) , 00000 (Prior Period) NAIC Company Code 12747 Employer's ID Number 20-4308924

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

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 02/08/2006 Commenced Business 01/01/2007

Statutory Home Office 2181 East Aurora Road , Twinsburg, OH, US 44087  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2181 East Aurora Road Twinsburg, OH, US 44087 330-405-8089  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 2181 East Aurora Road Twinsburg, OH, US 44087  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2181 East Aurora Road Twinsburg, OH, US 44087 330-405-8089  
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.envisionrx.com

Statutory Statement Contact Scott David Gonia CPA 330-486-4846  
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### OFFICERS

Name	Title	Name	Title
<u>William Carl Epling</u>	<u>President</u>	<u>Kimberly Sue Kirkbride</u>	<u>Treasurer</u>
<u>Michael Pryor DeMinico</u>	<u>Vice President &amp; Secretary</u>	<u>Thomas John Welsh</u>	<u>Chief Financial Officer &amp; Executive Vice President</u>

### OTHER OFFICERS

<u>Frank John Sheehy</u>	<u>Chief Executive Officer</u>	<u>Dawn Gail Sherman</u>	<u>Executive Vice President</u>
<u>Catherine Hoagland Strautman</u>	<u>Executive Vice President</u>	<u>Eugene Paul Samuels JD</u>	<u>General Counsel</u>

### DIRECTORS OR TRUSTEES

<u>William Carl Epling</u>	<u>Douglas Elwood Donley #</u>	<u>Matthew Charles Schroeder #</u>	<u>Kenneth Charles Black #</u>
<u>Frank John Sheehy</u>	<u>Darren Wayne Karst #</u>	<u>Thomas John Welsh</u>	

State of Ohio

ss

County of Summit

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.

William Carl Epling  
President

Kimberly Sue Kirkbride  
Treasurer

Michael Pryor DeMinico  
Vice President & Secretary

a. Is this an original filing? Yes  No

b. If no:

1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

**STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company**

**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 .....	6,598,112		6,598,112	6,464,286
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	198,128
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 (\$ .....40,288,236 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....99,934 ) .....	40,388,170		40,388,170	19,606,531
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		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) .....	46,986,282	0	46,986,282	26,268,945
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued .....	34,351		34,351	40,369
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	297,421		297,421	584,748
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.....	47,436,028		47,436,028	26,991,001
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	0		0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	3,720,264	3,720,264	0	0
17. Amounts receivable relating to uninsured plans .....	501,997,350		501,997,350	453,696,030
18.1 Current federal and foreign income tax recoverable and interest thereon .....	812,803		812,803	613,984
18.2 Net deferred tax asset.....	540,448	115,512	424,936	811,314
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 .....			0	0
24. Health care (\$ ..... ) and other amounts receivable.....			0	6,029,666
25. Aggregate write-ins for other-than-invested assets .....	968,165	968,165	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	602,793,112	4,803,941	597,989,171	515,036,057
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	602,793,112	4,803,941	597,989,171	515,036,057
<b>DETAILS OF WRITE-INS</b>				
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. Prepaid Expenses.....	240,404	240,404	0	0
2502. Intangible Asset - Licensing.....	127,761	127,761	0	0
2503. Deferred Acquisition Cost.....	600,000	600,000	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)	968,165	968,165	0	0

STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....7,835,732 reinsurance ceded).....	32,851,963		32,851,963	19,824,163
2. Accrued medical incentive pool and bonus amounts .....			0	0
3. Unpaid claims adjustment expenses .....	902,251		902,251	852,345
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 reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	481,889		481,889	833,837
9. General expenses due or accrued .....	7,822,512		7,822,512	123,614
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized gains (losses)) .....			0	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....	61,070,620		61,070,620	19,810,507
12. Amounts withheld or retained for the account of others .....	95,362		95,362	846,654
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 .....	97,906,884		97,906,884	105,314,612
16. Derivatives .....		0	0	0
17. Payable for securities .....			0	0
18. Payable for securities lending .....			0	0
19. Funds held under reinsurance treaties (with \$ .....348,978,168 authorized reinsurers, \$ ..... unauthorized reinsurers and \$ ..... certified reinsurers) .....	348,978,168		348,978,168	329,784,628
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 .....			0	0
23. Aggregate write-ins for other liabilities (including \$ ..... current) .....	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	550,109,649	0	550,109,649	477,390,360
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	1,735,000	7,450,000
26. Common capital stock .....	XXX	XXX	2,000,000	2,000,000
27. Preferred capital stock .....	XXX	XXX		0
28. Gross paid in and contributed surplus .....	XXX	XXX	23,700,000	23,700,000
29. Surplus notes .....	XXX	XXX	30,000,000	15,000,000
30. Aggregate write-ins for other-than-special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	(9,555,480)	(10,504,303)
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	47,879,520	37,645,697
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	597,989,169	515,036,057
<b>DETAILS OF WRITE-INS</b>				
2301. ....			0	0
2302. ....			0	0
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) .....	0	0	0	0
2501. Reserve for ACA Section 9010 Fee.....	XXX	XXX	1,735,000	7,450,000
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	1,735,000	7,450,000
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 To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	2,368,170	2,301,923	4,470,998
2. Net premium income (including \$ non-health premium income).....	XXX	118,127,979	60,775,797	119,931,209
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	118,127,979	60,775,797	119,931,209
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits .....			0	0
10. Other professional services .....			0	0
11. Outside referrals .....			0	0
12. Emergency room and out-of-area .....			0	0
13. Prescription drugs .....		239,777,837	255,013,882	409,196,267
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	239,777,837	255,013,882	409,196,267
<b>Less:</b>				
17. Net reinsurance recoveries .....		130,771,415	198,586,448	297,574,880
18. Total hospital and medical (Lines 16 minus 17) .....	0	109,006,422	56,427,434	111,621,387
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ cost containment expenses.....		4,483,755	824,819	1,531,940
21. General administrative expenses.....		7,805,959	2,329,577	7,841,580
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	121,296,136	59,581,830	120,994,907
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(3,168,157)	1,193,967	(1,063,698)
25. Net investment income earned .....		30,431	5,885	12,015
26. Net realized capital gains (losses) less capital gains tax of \$ .....			0	0
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	30,431	5,885	12,015
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ) (amount charged off \$ 382,500 )] .....		(382,500)	(1,099,530)	(2,047,342)
29. Aggregate write-ins for other income or expenses .....	0	0	0	25,000
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	(3,520,226)	100,322	(3,074,025)
31. Federal and foreign income taxes incurred .....	XXX	1,126,183	220,749	54,931
32. Net income (loss) (Lines 30 minus 31) .....	XXX	(4,646,409)	(120,427)	(3,128,956)
<b>DETAILS OF WRITE-INS</b>				
0601. ....	XXX		0	0
0602. ....	XXX		0	0
0603. ....	XXX		0	0
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		0	0
0702. ....	XXX		0	0
0703. ....	XXX		0	0
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. ....			0	0
1402. ....			0	0
1403. ....			0	0
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. ....		0	0	25,000
2902. ....			0	0
2903. ....			0	0
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	25,000

## STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	37,645,697	25,464,310	25,464,310
34. Net income or (loss) from Line 32 .....	(4,646,409)	(120,427)	(3,128,956)
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 .....	(295,178)	44,683	421,852
39. Change in nonadmitted assets .....	175,410	(138,979)	(111,509)
40. Change in unauthorized and certified reinsurance .....	0	0	0
41. Change in treasury stock .....		0	0
42. Change in surplus notes .....	15,000,000	0	15,000,000
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 .....		0	0
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	0
48. Net change in capital and surplus (Lines 34 to 47) .....	10,233,823	(214,723)	12,181,387
49. Capital and surplus end of reporting period (Line 33 plus 48)	47,879,520	25,249,587	37,645,697
<b>DETAILS OF WRITE-INS</b>			
4701. Prior Period Adjustments.....		0	0
4702. ....		0	0
4703. ....		0	0
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	0

## STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

## CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	138,878,442	65,873,974	125,427,160
2. Net investment income .....	82,297	59,872	118,804
3. Miscellaneous income .....	0	0	0
4. Total (Lines 1 to 3) .....	138,960,739	65,933,846	125,545,964
5. Benefit and loss related payments .....	95,978,622	46,657,768	97,704,768
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	53,029,087	137,565,142	207,879,137
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	1,325,000	315,000	915,000
10. Total (Lines 5 through 9) .....	150,332,709	184,537,910	306,498,905
11. Net cash from operations (Line 4 minus Line 10) .....	(11,371,970)	(118,604,064)	(180,952,941)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	4,645,000	300,000	300,000
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	198,129	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) .....	4,843,129	300,000	300,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	4,824,673	306,429	306,429
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) .....	4,824,673	306,429	306,429
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) .....	18,456	(6,429)	(6,429)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	15,000,000	0	15,000,000
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
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).....	17,135,153	126,153,159	171,158,523
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	32,135,153	126,153,159	186,158,523
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	20,781,639	7,542,666	5,199,153
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	19,606,531	14,407,378	14,407,378
19.2 End of period (Line 18 plus Line 19.1) .....	40,388,170	21,950,044	19,606,531

STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

**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 .....	356,784	.0	.0	.0	.0	.0	.0	.0	.0	356,784
2. First Quarter .....	394,765	.0	.0	.0	.0	.0	.0	.0	.0	394,765
3. Second Quarter .....	402,063	.0	.0	.0	.0	.0	.0	.0	.0	402,063
4. Third Quarter .....	.0									
5. Current Year	0									
6. Current Year Member Months	2,380,469									2,380,469
Total Member Ambulatory Encounters for Period:										
7. Physician .....	.0									
8. Non-Physician .....	0									
9. Total	0	0	0	0	0	0	0	0	0	0
10. Hospital Patient Days Incurred	0									
11. Number of Inpatient Admissions	0									
12. Health Premiums Written (a).....	230,376,966									230,376,966
13. Life Premiums Direct.....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned .....	230,376,966									230,376,966
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services .....	226,466,163									226,466,163
18. Amount Incurred for Provision of Health Care Services	239,777,837									239,777,837

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



STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

**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) .....					.0	.0
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 .....					.0	.0
7. Title XIX - Medicaid .....					.0	.0
8. Other health .....	22,290,618	73,688,004		32,851,963	22,290,618	19,824,163
9. Health subtotal (Lines 1 to 8).....	22,290,618	73,688,004	0	32,851,963	22,290,618	19,824,163
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)	22,290,618	73,688,004	0	32,851,963	22,290,618	19,824,163

(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 Envision Insurance Company (Company) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance (ODI).

The ODI recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Ohio Insurance Law. 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 Ohio. There is no deviation from the NAIC Accounting Practices and Procedures Manual.

	6/30/2015	12/31/2014
<b><u>NET INCOME</u></b>		
Envision Insurance Company, state basis (Page 4, Line 32, Column 2 & 3)	\$(4,646,409)	\$(3,128,956)
State Prescribed Practices that increases/(decreases) NAIC SAP	\$0	\$0
State Permitted Practices that increases/(decreases) NAIC SAP	\$0	\$0
NAIC SAP	\$(4,646,409)	\$(3,128,956)
<b><u>SURPLUS</u></b>		
Envision Insurance Company, state basis (Page 3, Line 33, Column 3 & 4)	\$47,879,520	\$37,645,697
State Prescribed Practices that increases/(decreases) NAIC SAP	\$0	\$0
State Permitted Practices that increases/(decreases) NAIC SAP	\$0	\$0
NAIC SAP	\$47,879,520	\$37,645,697

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

The preparation of financial statements in conformity with 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

No Change.

### 2. Accounting Changes and Corrections of Errors

#### A. New Accounting Principles

No Change.

#### B. Accounting Change

No Change.

### 3. Business Combination and Goodwill

Not applicable to the Company.

### 4. Discontinued Operations

Not applicable to the Company.

### 5. Investments

- D. Loan-Backed Securities - Not applicable to the Company.
- E. Repurchase Agreements - Not applicable to the Company.
- I. Working Capital Finance Notes - Not applicable to the Company.
- J. Offsetting and Netting of Assets and Liabilities - Not applicable to the Company.

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

Not applicable to the Company.

### 7. Investment Income

Not applicable to the Company.

## NOTES TO FINANCIAL STATEMENTS

### 8. Derivative Instruments

Not applicable to the Company.

### 9. Income Taxes

No Change.

### 10. Information Concerning Parent, Subsidiaries and Affiliates

#### A. Nature of the relationship

Envision Insurance Company is a wholly-owned subsidiary of Envision Pharmaceutical Holdings LLC. ("EPH"). Rx Options, LLC ("ROI") and First Florida Insurers of Tampa, LLC ("FFI") are affiliates of EIC and wholly-owned subsidiaries of EPH.

#### B. Significant transactions for each period

See Note 13 regarding the issuance of a surplus note to EPH in March 2015.

The Company transferred the residential property reported as property occupied by the company at December 31, 2014 to ROI for cash equal to the net book value of the property in February 2015.

#### C. Intercompany Management and Service Arrangements

The Company has a pharmacy benefit management services agreement ("PBMSA") with ROI. The transactions under the agreement totaled \$878,000,493 for the year to date ended June 30, 2015

The Company has a general insurance agency agreement with its affiliate, First Florida Insurers of Tampa, LLC ("FFI"). The Company incurred \$1,058,024 commissions to FFI for the year to date ending June 30, 2015.

#### D. Amounts Due to or from Related Parties

At June 30, 2015 and December 31, 2014, the Company reported \$97,906,884 and \$105,314,612 due to affiliates, respectively. Additionally, the amounts reported as unpaid claims and unpaid claims adjustment expenses are due to ROI under the PBMSA in the amounts of \$32,851,963 and \$902,251 as of June 30, 2015 and \$19,824,163 and \$852,345 as of December 31, 2014. The June 30, 2015 payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the PBMSA.

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

#### F. Management, Service Contracts, Cost Sharing Arrangements

Under the PBMSA, ROI has agreed to provide certain management services to the Company. These designated services include but are not limited to payroll, claims processing, facilities, customer service and other general administrative services.

#### G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by EPH.

#### H. Amount Deducted for Investment in Upstream Company

None.

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

None.

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

None.

#### K. Investment in a Foreign Insurance Subsidiary

None.

### 11. Debt

Not applicable to the Company.

## NOTES TO FINANCIAL STATEMENTS

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

Not applicable to the Company.

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

#### Surplus Notes

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note	Interest And/Or Principal Paid Current Year	Total Interest And/Or Principal Paid	Unapproved Interest And/Or Principal	Date of Maturity
3/24/2015	0.40%	\$15,000,000	\$15,000,000	\$0	\$0	16,500	12/15/2015
12/23/2014	0.34%	\$15,000,000	\$15,000,000	\$0	\$0	26,917	12/15/2015
	Total	\$30,000,000	\$30,000,000	\$0	\$0	43,417	

On March 24, 2015, the Company received a loan in the form of a \$15 million note from its parent, EPH. The note, which has been issued to maintain risk based capital requirements, has been recorded as a surplus note and included as a component of statutory net worth. Payment of principal or interest is subject to approval by the Ohio Department of Insurance. Payment of the principal or interest on this note is subordinated to the prior payment of all claims of the policyholders, claimants, beneficiaries and all other classes of creditors other than surplus note holders. Additionally, no accrued interest has been recorded as approval for payment has not been obtained from the Ohio Department of Insurance.

### 14. Contingencies

No Change.

### 15. Leases

Not applicable to the Company.

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

Not applicable to the Company.

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

- B. Transfer and Servicing of Financial Assets - Not applicable to the Company.
- C. Wash Sales - Not applicable to the Company.

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

Not applicable to the Company.

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

Not applicable to the Company.

### 20. Fair Value Measurements

The Company has no assets or liabilities recorded at fair value as of March 31, 2015.

### 21. Other Items

- C. Other Disclosures and Unusual Items

#### Acquisition

On June 24, 2015, the Rite Aid Corporation acquisition of Envision Pharmaceutical Holdings LLC, the parent company of Envision Insurance Company, was completed. The company is operating as a stand-alone subsidiary of Rite Aid and the current management team continues to lead the business.

#### ACA 9010 Fee

As of January 1, 2015, the Company has written health insurance subject to the annual Health Insurance Providers fee under section 9010 of the Federal Affordable Care Act ("ACA"). The estimate of the Company's portion of the fee to be payable on September 30, 2015 of \$7.60 million is reported in these statements as General Expenses Due or Accrued and General Administrative Expenses at June 30, 2015. The 2015 fee is

## NOTES TO FINANCIAL STATEMENTS

not eligible for ceding under the reinsurance agreement and is not reported net of any expected reinsurance recovery.

As required by SSAP No. 106, the pro-rata six month estimated amount of the 2016 fee payable has been recorded as Special Surplus in these statements. The 2016 fee is eligible for ceding under the reinsurance agreement and is reported net of the expected reinsurance recovery.

### 22. Events Subsequent

None.

### 23. Reinsurance

Effective January 1, 2015, the Company has a new three year quota share reinsurance contract with Swiss Re Life and Health America Inc. For 2015, individual health policies are ceded at 50% quota share and group health policies are ceded at 33.33% quota share.

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

E. Risk-Sharing Provisions of the Affordable Care Act - Not applicable to the Company.

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

Unpaid claims and claims adjustment expenses were \$33,754,214 at June 30, 2015. In 2015, \$23,142,962 was paid for incurred claims and claims adjustment expenses attributable to insured events of 2014 and prior years. The reserves at June 30, 2015 are for current year activities. There are no reserves remaining for prior years.

### 26. Intercompany Pooling Arrangements

Not applicable to the Company.

### 27. Structured Settlements

Not applicable to the Company.

### 28. Health Care Receivables

Not applicable to the Company.

### 29. Participating Policies

Not applicable to the Company.

### 30. Premium Deficiency Reserves

Not applicable to the Company.

### 31. Anticipated Subrogation and Other Receivables

Not applicable to the Company.

# 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
- 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
- 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  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  No
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
Envision Pharmaceutical Holdings and subsidiaries were purchased by Rite Aid Corporation.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes  No
- 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  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. ....12/31/2011
- 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. ....12/31/2011
- 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). ....02/18/2013
- 6.4 By what department or departments?  
Ohio 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
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes  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
- 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
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes  No
- 8.4 If 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	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....0	\$ .....0
14.22 Preferred Stock .....	\$ .....0	\$ .....0
14.23 Common Stock .....	\$ .....0	\$ .....0
14.24 Short-Term Investments .....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate .....	\$ .....0	\$ .....0
14.26 All Other .....	\$ .....0	\$ .....0
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 .....	\$ .....0	\$ .....0

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

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 [X] No [ ]

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
Wells Fargo Bank.....	40 Capital Market Street, Suite 702, Sacramento, CA 95814.....
Huntington National Bank.....	300 Market Street, Akron, OH 44308.....

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.....  | 92.3 % |
| 1.2 A&H cost containment percent .....                           | 0.0 %  |
| 1.3 A&H expense percent excluding cost containment expenses..... | %      |
- 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..... \$ \_\_\_\_\_



STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

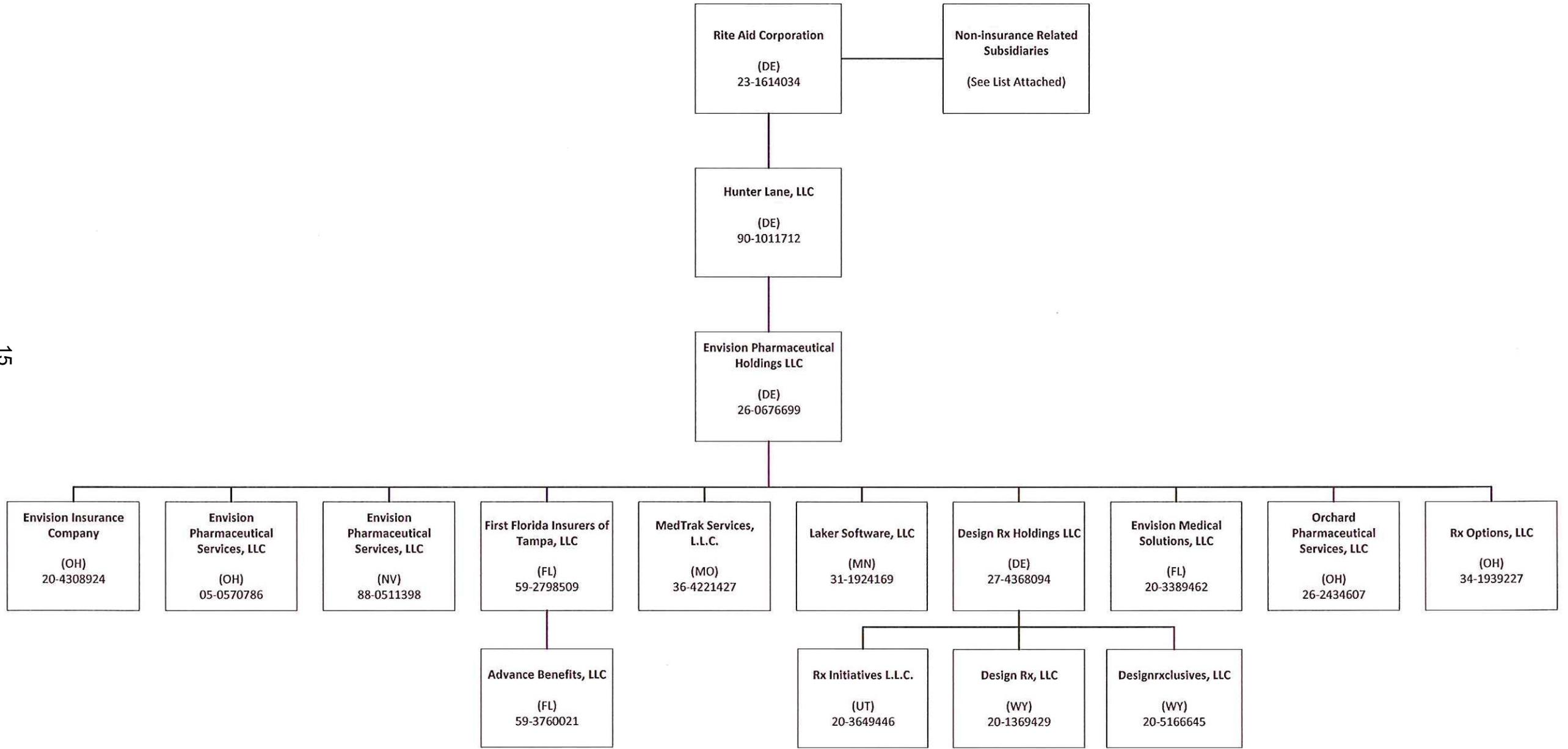
**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

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	1,382,752						1,382,752	
2. Alaska	AK	L	632,161						632,161	
3. Arizona	AZ	L	3,747,927						3,747,927	
4. Arkansas	AR	L	569,385						569,385	
5. California	CA	L	78,070,155						78,070,155	
6. Colorado	CO	L	5,236,514						5,236,514	
7. Connecticut	CT	L	380,511						380,511	
8. Delaware	DE	L	409,477						409,477	
9. Dist. Columbia	DC	L	445,696						445,696	
10. Florida	FL	L	3,011,717						3,011,717	
11. Georgia	GA	L	8,755,387						8,755,387	
12. Hawaii	HI	L	348,932						348,932	
13. Idaho	ID	L	1,048,339						1,048,339	
14. Illinois	IL	L	10,895,797						10,895,797	
15. Indiana	IN	L	5,064,229						5,064,229	
16. Iowa	IA	L	693,664						693,664	
17. Kansas	KS	L	543,713						543,713	
18. Kentucky	KY	L	5,774,981						5,774,981	
19. Louisiana	LA	L	2,968,093						2,968,093	
20. Maine	ME	L	572,233						572,233	
21. Maryland	MD	L	2,563,848						2,563,848	
22. Massachusetts	MA	L	318,106						318,106	
23. Michigan	MI	L	8,403,118						8,403,118	
24. Minnesota	MN	L	1,038,115						1,038,115	
25. Mississippi	MS	L	3,995,731						3,995,731	
26. Missouri	MO	L	266,693						266,693	
27. Montana	MT	L	220,308						220,308	
28. Nebraska	NE	L	463,413						463,413	
29. Nevada	NV	L	526,078						526,078	
30. New Hampshire	NH	L	346,103						346,103	
31. New Jersey	NJ	L	16,038,167						16,038,167	
32. New Mexico	NM	L	1,313,692						1,313,692	
33. New York	NY	L	5,686,847						5,686,847	
34. North Carolina	NC	L	1,743,901						1,743,901	
35. North Dakota	ND	L	151,799						151,799	
36. Ohio	OH	L	11,462,534						11,462,534	
37. Oklahoma	OK	L	1,038,931						1,038,931	
38. Oregon	OR	L	2,404,448						2,404,448	
39. Pennsylvania	PA	L	9,934,826						9,934,826	
40. Rhode Island	RI	L	42,297						42,297	
41. South Carolina	SC	L	951,055						951,055	
42. South Dakota	SD	L	233,721						233,721	
43. Tennessee	TN	L	1,805,971						1,805,971	
44. Texas	TX	L	6,853,719						6,853,719	
45. Utah	UT	L	915,251						915,251	
46. Vermont	VT	L	40,692						40,692	
47. Virginia	VA	L	8,168,249						8,168,249	
48. Washington	WA	L	5,064,005						5,064,005	
49. West Virginia	WV	L	2,549,062						2,549,062	
50. Wisconsin	WI	L	5,121,889						5,121,889	
51. Wyoming	WY	L	134,732						134,732	
52. American Samoa	AS	N	0						0	
53. Guam	GU	L	2,115						2,115	
54. Puerto Rico	PR	L	25,886						25,886	
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		230,376,965	0	0	0	0	0	230,376,965	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 53		230,376,965	0	0	0	0	0	230,376,965	0
<b>DETAILS OF WRITE-INS</b>										
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.



**RITE AID CORPORATION AFFILIATES/SUBSIDIARIES**

Company (Name in which such subsidiary conducts business if other than corporate name):	State of Incorporation or Organization
112 Burlington Avenue Norfolk, LLC	Virginia
1515 West State Street Boise, Idaho, LLC	Delaware
1740 Associates, LLC	Michigan
3581 Carter Hill Road—Montgomery Corp.	Alabama
4042 WarrensVille Center Road—WarrensVille Ohio, Inc.	Ohio
5277 Associates, Inc.	Washington
5600 Superior Properties, Inc.	Ohio
657-659 Broad St. Corp.	New Jersey
764 South Broadway—Geneva, Ohio, LLC	Ohio
Ann & Government Streets—Mobile, Alabama, LLC	Delaware
Apex Drug Stores, Inc.	Michigan
Broadview and Wallings—Broadview Heights Ohio, Inc.	Ohio
Central Avenue & Main Street Petal—MS, LLC	Delaware
Eagle Managed Care Corp.	Delaware
Eckerd Corporation	Delaware
EDC Drug Stores, Inc.	North Carolina
Eighth and Water Streets—Urichsville, Ohio, LLC	Delaware
England Street—Asheland Corporation	Virginia
Fairground, LLC	Virginia
GDF, Inc.	Maryland
Genovese Drug Stores, Inc.	Delaware
Gettysburg and Hoover—Dayton, Ohio, LLC	Ohio
Harco, Inc.	Alabama
Health Dialog Services Corporation	Massachusetts
JCG (PJC) USA, LLC	Delaware
JCG Holdings (USA), Inc.	Delaware
K&B Alabama Corporation	Delaware
K&B Louisiana Corporation	Alabama
K&B Louisiana Corporation	Louisiana
K&B Mississippi Corporation	Mississippi
K&B Services, Incorporated	Louisiana
K&B Tennessee Corporation	Tennessee
K&B Texas Corporation	Texas
K&B, Incorporated	Delaware
Keystone Centers, Inc.	Delaware
Lakehurst and Broadway Corporation	Pennsylvania
Maxi Drug North, Inc.	New Jersey
Maxi Drug South, L.P.	Delaware
Maxi Drug, Inc.	Delaware
Maxi Green, Inc.	Delaware
Mayfield & Chillicothe Roads—Chesterland, LLC	Vermont
Munson & Andrews, LLC	Ohio
Name Rite, LLC	Delaware
Northline & Dix—Toledo—Southgate, LLC	Delaware
P.J.C. Distribution, Inc.	Michigan
P.J.C. Realty Co., Inc.	Delaware
Patton Drive and Navy Boulevard Property Corporation	Florida
Paw Paw Lake Road & Paw Paw Avenue—Coloma, Michigan, LLC	Delaware
PDS-1 Michigan, Inc.	Michigan
Perry Distributors, Inc.	Michigan

Company (Name in which such subsidiary conducts business if other than corporate name):	State of Incorporation or Organization
Perry Drug Stores, Inc.	Michigan
PJC Dorchester Realty LLC	Delaware
PJC East Lyme Realty LLC	Delaware
PJC Haverhill Realty LLC	Delaware
PJC Hermitage Realty LLC	Delaware
PJC Hyde Park Realty LLC	Delaware
PJC Lease Holdings, Inc.	Delaware
PJC Manchester Realty LLC	Delaware
PJC Mansfield Realty LLC	Delaware
PJC New London Realty LLC	Delaware
PJC of Massachusetts, Inc.	Massachusetts
PJC of Rhode Island, Inc.	Rhode Island
PJC of Vermont, Inc.	Vermont
PJC Peterborough Realty LLC	Delaware
PJC Providence Realty LLC	Delaware
PJC Realty MA, Inc.	Massachusetts
PJC Realty N.E. LLC	Delaware
PJC Revere Realty LLC	Delaware
PJC Special Realty Holdings, Inc.	Delaware
Ram—Utica, Inc.	Michigan
RDS Detroit, Inc.	Michigan
READ's Inc.	Maryland
RediClinic LLC	Delaware
Rite Aid Drug Palace, Inc.	Delaware
Rite Aid Hdqtrs. Corp.	Delaware
Rite Aid Hdqtrs. Funding, Inc.	Delaware
Rite Aid Lease Management Company	Delaware
Rite Aid of Alabama, Inc.	California
Rite Aid of Connecticut, Inc.	Alabama
Rite Aid of Delaware, Inc.	Connecticut
Rite Aid of Florida, Inc.	Delaware
Rite Aid of Georgia, Inc.	Florida
Rite Aid of Illinois, Inc.	Georgia
Rite Aid of Indiana, Inc.	Illinois
Rite Aid of Indiana, Inc.	Indiana
Rite Aid of Kentucky, Inc.	Kentucky
Rite Aid of Maine, Inc.	Kentucky
Rite Aid of Maryland, Inc.	Maine
Rite Aid of Maryland, Inc.	Maryland
Rite Aid of Massachusetts, Inc.	Massachusetts
Rite Aid of Michigan, Inc.	Michigan
Rite Aid of New Hampshire, Inc.	New Hampshire
Rite Aid of New Jersey, Inc.	New Jersey
Rite Aid of New York, Inc.	New York
Rite Aid of North Carolina, Inc.	North Carolina
Rite Aid of Ohio, Inc.	Ohio
Rite Aid of Pennsylvania, Inc.	Pennsylvania
Rite Aid of South Carolina, Inc.	South Carolina
Rite Aid of Tennessee, Inc.	Tennessee
Rite Aid of Vermont, Inc.	Tennessee
Rite Aid of Vermont, Inc.	Vermont
Rite Aid of Virginia, Inc.	Virginia
Rite Aid of Washington, D.C., Inc.	Washington DC
Rite Aid of West Virginia, Inc.	West Virginia

Company (Name in which such subsidiary conducts business if other than corporate name):	State of Incorporation or Organization
Rite Aid Online Store Inc.	Delaware
Rite Aid Payroll Management Inc.	Delaware
Rite Aid Realty Corp.	Delaware
Rite Aid Rome Distribution Center, Inc.	New York
Rite Aid Services, LLC	Delaware
Rite Aid Specialty Pharmacy LLC	Delaware
Rite Aid Transport, Inc.	Delaware
Rite Fund, Inc.	Delaware
Rite Investments Corp.	Delaware
Rite Investment Corp., LLC	Delaware
Rx Choice, Inc.	Delaware
Seven Mile and Evergreen—Detroit, LLC	Michigan
Silver Springs Road—Baltimore, Maryland/One, LLC	Delaware
Silver Springs Road—Baltimore, Maryland/Two, LLC	Delaware
State & Fortification Streets—Jackson, Mississippi, LLC	Delaware
State Street and Hill Road—Gerard, Ohio, LLC	Delaware
The Jean Coutu Group (PJC) USA, Inc.	Delaware
The Lane Drug Company	Ohio
Thrift Drug Inc.	Delaware
Thriftly Corporation	California
Thriftly PayLess, Inc.	California
Tyler and Sanders Roads—Birmingham, Alabama, LLC	Delaware

STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

**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	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)	*
			23-1614034			NYSE	Rite Aid Corporation	DE	UDP	Board of Directors	Board of Directors	100.0	Rite Aid Corporation	.0
			90-1011712				Hunter Lane, LLC	DE	NIA	Rite Aid Corporation	Ownership	100.0	Rite Aid Corporation	.0
			26-0676699				Envision Pharmaceutical Holdings LLC	DE	NIA	Hunter Lane, LLC	Ownership	100.0	Rite Aid Corporation	.0
			34-1939227				Rx Options, LLC	OH	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			34-4221427				MedTrak Services, LLC	MO	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			05-0570786				Envision Pharmaceutical Services, LLC	OH	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			88-0511398				Envision Pharmaceutical Services, LLC	NV	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			20-3389462				Envision Medical Solutions, LLC	FL	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
		12747	20-4308924				Envision Insurance Company	OH	RE	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			26-2434607				Orchard Pharmaceutical Services, LLC	OH	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			59-2798509				First Florida Insurers of Tampa, LLC	FL	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			59-3760021				Advance Benefits, LLC	FL	NIA	First Florida Insurers of Tampa, LLC	Ownership	100.0	Rite Aid Corporation	.0
			27-4368094				Design Rx Holdings LLC	DE	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			20-1369429				Design Rx, LLC	WY	NIA	Design Rx Holdings Corporation, LLC	Ownership	100.0	Rite Aid Corporation	.0
			20-5166645				Design Rxclusives, LLC	WY	NIA	Design Rx Holdings Corporation, LLC	Ownership	100.0	Rite Aid Corporation	.0
			20-3649446				Rx Initiatives L.L.C	UT	NIA	Design Rx Holdings Corporation, LLC	Ownership	100.0	Rite Aid Corporation	.0
			45-4806467				Ascend Health Technology LLC	DE	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0
			41-1924169				Laker Software, LLC	MN	NIA	Envision Pharmaceutical Holdings LLC	Ownership	100.0	Rite Aid Corporation	.0

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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**

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**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 .....	198,129	202,820
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	0	0
2.2 Additional investment made after acquisition .....	0	0
3. Current year change in encumbrances .....	0	0
4. Total gain (loss) on disposals .....	0	0
5. Deduct amounts received on disposals .....	198,129	0
6. Total foreign exchange change in book/adjusted carrying value .....	0	0
7. Deduct current year's other-than-temporary impairment recognized .....	0	0
8. Deduct current year's depreciation .....	0	4,691
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	198,129
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	0	198,129

**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	0
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	0	0
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....	0	0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....	0	0
10. Deduct current year's other-than-temporary impairment recognized .....	0	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	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

NONE

**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	0
2.2 Additional investment made after acquisition .....	0	0
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	0	0
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	0	0
8. Deduct amortization of premium and depreciation .....	0	0
9. Total foreign exchange change in book/adjusted carrying value .....	0	0
10. Deduct current year's other-than-temporary impairment recognized .....	0	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

NONE

**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 .....	6,464,287	6,557,290
2. Cost of bonds and stocks acquired .....	4,824,673	306,429
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 .....	4,645,000	300,000
7. Deduct amortization of premium .....	45,848	99,432
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) .....	6,598,112	6,464,287
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11) .....	6,598,112	6,464,287

STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

**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
<b>BONDS</b>								
1. NAIC 1 (a).....	6,596,737	622,355	600,000	(20,980)	6,596,737	6,598,112	0	6,464,286
2. NAIC 2 (a).....	0				0	0	0	0
3. NAIC 3 (a).....	0				0	0	0	0
4. NAIC 4 (a).....	0				0	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	6,596,737	622,355	600,000	(20,980)	6,596,737	6,598,112	0	6,464,286
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	6,596,737	622,355	600,000	(20,980)	6,596,737	6,598,112	0	6,464,286

(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 \$ ..... ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

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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	99,934	XXX	99,934	0	0

## 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.....	99,934	0
2. Cost of short-term investments acquired .....		99,934
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....		0
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	99,934	99,934
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	99,934	99,934

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

**NONE**

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**



STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>																					
912828-MZ-0	US Treasury 2.500% 4/30/2015		04/30/2015	Maturity		600,000	600,000	614,273	601,009		(1,009)		(1,009)		600,000			0	7,500	04/30/2015	1
<b>0599999 - Bonds - U.S. Governments</b>						600,000	600,000	614,273	601,009	0	(1,009)	0	(1,009)	0	600,000	0	0	0	7,500	XXX	XXX
<b>8399997 - Subtotals - Bonds - Part 4</b>						600,000	600,000	614,273	601,009	0	(1,009)	0	(1,009)	0	600,000	0	0	0	7,500	XXX	XXX
<b>8399999 - Subtotals - Bonds</b>						600,000	600,000	614,273	601,009	0	(1,009)	0	(1,009)	0	600,000	0	0	0	7,500	XXX	XXX
<b>9999999 Totals</b>						600,000	600,000	614,273	601,009	0	(1,009)	0	(1,009)	0	600,000	0	0	0	7,500	XXX	XXX

E05

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

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**



STATEMENT AS OF JUNE 30, 2015 OF THE Envision Insurance Company

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<b>NONE</b>							
8699999 Total Cash Equivalents					0	0	0



**SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2015 OF THE Envision Insurance Company  
 MEDICARE PART D COVERAGE SUPPLEMENT**

**(Net of Reinsurance)**

NAIC Group Code.....00000

NAIC Company Code.....12747

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected.....	123,199,471	xxx	15,678,973	xxx	138,878,444
2. Earned Premiums	104,791,673	xxx	13,336,305	xxx	xxx
3. Claims Paid.....	84,979,663	xxx	10,998,959	xxx	95,978,622
4. Claims Incurred.....	96,514,503	xxx	12,491,919	xxx	xxx
5. Reinsurance Coverage and Low Income Cost Sharing – Claims Paid Net of Reimbursements Applied (a).....	xxx	42,674,686	xxx	5,430,991	48,105,677
6. Aggregate Policy Reserves - Change.....		xxx		xxx	xxx
7. Expenses Paid.....	4,643,301	xxx	280,107	xxx	4,923,408
8. Expenses Incurred.....	11,590,515	xxx	699,199	xxx	xxx
9. Underwriting Gain or Loss.....	(3,313,345)	xxx	145,187	xxx	xxx
10. Cash Flow Result	xxx	xxx	xxx	xxx	(10,129,263)

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ .....501,997,350 due from CMS or \$ .....due to CMS