* 1 2 5 3 4 2 0 1 7 2 0 1 0 0 1 0 0 *

ANNUAL STATEMENT

For the Year Ended December 31, 2017

of the Condition and Affairs of the

MMM Multi Health, LLC

NAIC Group Code.....4812, 4812 (Current Period) (Prior Period) NAIC Company Code..... 12534 Employer's ID Number..... 660653763

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

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

Incorporated/Organized..... February 18, 2012 Commenced Business..... March 1, 2012

Statutory Home Office 350 CHARDON AVE STE 350….. SAN JUAN ..... PR ..... …. 00918
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 350 CHARDON AVE STE 350….. SAN JUAN ..... PR ..... …. 00918
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 350 CHARDON AVE STE 350….. SAN JUAN ..... PR ..... …. 00918
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 350 CHARDON AVE STE 350….. SAN JUAN ..... PR ..... …. 00918
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.medicareymuchomas.com

Statutory Statement Contact LE ANN RIVERA 787-622-3000
(Name) (Area Code) (Telephone Number) (Extension)
leann.rivera@mmmhc.com
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. CARLOS VIVALDI	CFO	2. MANUEL SANCHEZ SIERRA	COO
3.		4.	

OTHER

RICHARD SHINTO	CEO	ORLANDO GONZALEZ	PRESIDENT
PAUL KLAUSNER	SECRETARY	IVELISSE FERNANDEZ	CHIEF ADMINISTRATIVE OFFICER
DOUGLAS MALTON	VICEPRESIDENT	MICHAEL J SORTINO	CHIEF ACCOUNTING OFFICER
EYMINEL VIEL	ASSISTANT SECRETARY	CARLOS VIVALDI	CFO
MANUEL SANCHEZ SIERRA	COO		

DIRECTORS OR TRUSTEES

RICK SHINTO ORLANDO GONZALEZ DOUGLAS MALTON CARLOS VIVALDI

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

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

(Signature)	(Signature)	(Signature)
CARLOS VIVALDI	MANUEL SANCHEZ SIERRA	
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
CFO	COO	
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2018

a. Is this an original filing? Yes [X] No [ ]
b. If no
1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	69,246,533		69,246,533	26,089,679
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)			0	
4.2 Properties held for the production of income (less $.....0 encumbrances)			0	
4.3 Properties held for sale (less $.....0 encumbrances)			0	
5. Cash ($.....70,153,246, Schedule E-Part 1), cash equivalents ($.....15,161,578, Schedule E-Part 2) and short-term investments ($.....0, Schedule DA)	85,314,824		85,314,824	33,338,910
6. Contract loans (including $.....0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)			0	
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	154,561,357	0	154,561,357	59,428,589
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	219,451		219,451	111,465
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	18,658,477	2,977,374	15,681,103	3,465,092
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums ($.....0) and contracts subject to redetermination ($.....0)			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	1,023,299	3,419	1,019,880	172,631
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($.....0)			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	
24. Health care ($.....0) and other amounts receivable			0	
25. Aggregate write-ins for other-than-invested assets	294,464	98,326	196,138	322,714
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	174,757,048	3,079,119	171,677,929	63,500,491
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTAL (Lines 26 and 27)	174,757,048	3,079,119	171,677,929	63,500,491

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Advance to Providers	294,110	98,326	195,784	322,714
2502. Other Assets	354		354	
2503.			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)	294,464	98,326	196,138	322,714

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less $.....0 reinsurance ceded)	65,706,467		65,706,467	28,176,804
2. Accrued medical incentive pool and bonus amounts	28,760,885		28,760,885	13,874,623
3. Unpaid claims adjustment expenses	562,415		562,415	229,995
4. Aggregate health policy reserves, including the liability of $.....0 for medical loss ratio rebate per the Public Health Service Act			0	
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserves			0	
7. Aggregate health claim reserves			0	
8. Premiums received in advance			0	
9. General expenses due or accrued	928,326		928,326	262,323
10.1 Current federal and foreign income tax payable and interest thereon (including $.....0 on realized capital gains (losses))	273,089		273,089	
10.2 Net deferred tax liability			0	
11. Ceded reinsurance premiums payable			0	
12. Amounts withheld or retained for the account of others	463,670		463,670	180,542
13. Remittances and items not allocated			0	
14. Borrowed money (including $.....0 current) and interest thereon $.....0 (including $.....0 current)			0	
15. Amounts due to parent, subsidiaries and affiliates	3,655,784		3,655,784	1,390,376
16. Derivatives			0	
17. Payable for securities	14,955,698		14,955,698	
18. Payable for securities lending			0	
19. Funds held under reinsurance treaties with ($.....0 authorized reinsurers, $.....0 unauthorized reinsurers and $.....0 certified reinsurers)			0	
20. Reinsurance in unauthorized and certified ($.....0) companies			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	
22. Liability for amounts held under uninsured plans			0	
23. Aggregate write-ins for other liabilities (including $.....0 current)	600,000	0	600,000	600,000
24. Total liabilities (Lines 1 to 23)	115,906,334	0	115,906,334	44,714,663
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	400,000	400,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	58,762,271	24,172,981
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(3,390,676)	(5,787,153)
32. Less treasury stock at cost:				
32.1 .....0.000 shares common (value included in Line 26 $.....0)	XXX	XXX		
32.2 .....0.000 shares preferred (value included in Line 27 $.....0)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	55,771,595	18,785,828
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	171,677,929	63,500,491

DETAILS OF WRITE-INS

2301. Statutory Deposit	600,000		600,000	600,000
2302.			0	
2303.			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)	600,000	0	600,000	600,000
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 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1. Member months	XXX	3,188,390	1,518,308
2. Net premium income (including $.....0 non-health premium income)	XXX	541,681,621	249,582,009
3. Change in unearned premium reserves and reserve for rate credits	XXX		
4. Fee-for-service (net of $.....0 medical expenses)	XXX		
5. Risk revenue	XXX		
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	541,681,621	249,582,009
Hospital and Medical:			
9. Hospital/medical benefits		299,711,852	152,879,870
10. Other professional services			
11. Outside referrals			
12. Emergency room and out-of-area		37,397,384	
13. Prescription drugs		129,242,676	61,618,933
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		19,111,297	10,438,820
16. Subtotal (Lines 9 to 15)	0	485,463,209	224,937,623
Less:			
17. Net reinsurance recoveries			
18. Total hospital and medical (Lines 16 minus 17)	0	485,463,209	224,937,623
19. Non-health claims (net)			
20. Claims adjustment expenses, including $.....0 cost containment expenses			
21. General administrative expenses		53,552,303	26,987,340
22. Increase in reserves for life and accident and health contracts including $.....0 increase in reserves for life only)			
23. Total underwriting deductions (Lines 18 through 22)	0	539,015,512	251,924,963
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	2,666,109	(2,342,954)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		1,799,380	1,012,870
26. Net realized capital gains or (losses) less capital gains tax of $.....0		(6,247)	4,026
27. Net investment gains or (losses) (Lines 25 plus 26)	0	1,793,133	1,016,896
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $.....0) (amount charged off $.....0)]			
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	4,459,242	(1,326,058)
31. Federal and foreign income taxes incurred	XXX	273,089	
32. Net income (loss) (Lines 30 minus 31)	XXX	4,186,153	(1,326,058)

DETAILS OF WRITE-INS

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

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	18,785,828	15,594,139
34. Net income or (loss) from Line 32	4,186,153	(1,326,058)
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains and (losses) less capital gains tax of $.....0		
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	(548,635)	667,748
39. Change in nonadmitted assets	(1,240,592)	(903,449)
40. Change in unauthorized and certified reinsurance		
41. Change in treasury stock		
42. Change in surplus notes		
43. Cumulative effect of changes in accounting principles		
44. Capital changes:		
44.1 Paid in	34,589,290	6,300,000
44.2 Transferred from surplus (Stock Dividend)		
44.3 Transferred to surplus		
45. Surplus adjustments:		
45.1 Paid in		
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders		(1,559,000)
47. Aggregate write-ins for gains or (losses) in surplus	(449)	12,448
48. Net change in capital and surplus (Lines 34 to 47)	36,985,767	3,191,689
49. Capital and surplus end of reporting period (Line 33 plus 48)	55,771,595	18,785,828

DETAILS OF WRITE-INS

4701. Other Surplus Adjustment	(449)	12,448
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	(449)	12,448

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance	529,151,784	246,126,273
2. Net investment income	(12,923,197)	971,055
3. Miscellaneous income		
4. Total (Lines 1 through 3)	516,228,587	247,097,328
5. Benefit and loss related payments	479,892,623	229,012,006
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	37,600,669	28,652,526
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)		
10. Total (Lines 5 through 9)	517,493,292	257,664,532
11. Net cash from operations (Line 4 minus Line 10)	(1,264,705)	(10,567,204)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	12,873,389	856,342
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	12,873,389	856,342
13. Cost of investments acquired (long-term only):		
13.1 Bonds	7,309,305	26,974,267
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	7,309,305	26,974,267
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	5,564,084	(26,117,925)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	34,589,290	5,000,000
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		1,559,000
16.6 Other cash provided (applied)	13,087,245	
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	47,676,535	3,441,000
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)	51,975,914	(33,244,129)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	33,338,910	66,583,039
19.2 End of year (Line 18 plus Line 19.1)	85,314,824	33,338,910

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

20.0001		

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	541,681,621							541,681,621		
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of $.....0 medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	541,681,621	0	0	0	0	0	0	541,681,621	0	0
8. Hospital/medical benefits	299,711,852							299,711,852		XXX
9. Other professional services	0									XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	37,397,384							37,397,384		XXX
12. Prescription drugs	129,242,676							129,242,676		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	19,111,297							19,111,297		XXX
15. Subtotal (Lines 8 to 14)	485,463,209	0	0	0	0	0	0	485,463,209	0	XXX
16. Net reinsurance recoveries	0									XXX
17. Total hospital and medical (Lines 15 minus 16)	485,463,209	0	0	0	0	0	0	485,463,209	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $.....0 cost containment expenses	0									
20. General administrative expenses	53,552,303							53,552,303		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	539,015,512	0	0	0	0	0	0	539,015,512	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	2,666,109	0	0	0	0	0	0	2,666,109	0	0

DETAILS OF WRITE-INS

0501.	0									XXX
0502.	0									XXX
0503.	0									XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Total (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0									XXX
1302.	0									XXX
1303.	0									XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)				0
2. Medicare supplement				0
3. Dental only				0
4. Vision only				0
5. Federal employees health benefits plan				0
6. Title XVIII - Medicare				0
7. Title XIX - Medicaid	541,681,621			541,681,621
8. Other health				0
9. Health subtotal (Lines 1 through 8)	541,681,621	0	0	541,681,621
10. Life				0
11. Property/casualty				0
12. Totals (Lines 9 to 11)	541,681,621	0	0	541,681,621

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	428,822,249							428,822,249		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	428,822,249	0	0	0	0	0	0	428,822,249	0	0
2. Paid medical incentive pools and bonuses	4,225,035							4,225,035		
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	65,706,467							65,706,467		
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	65,706,467	0	0	0	0	0	0	65,706,467	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	28,760,885							28,760,885		
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	28,176,804							28,176,804		
8.2 Reinsurance assumed	0									
8.3 Reinsurance ceded	0									
8.4 Net	28,176,804	0	0	0	0	0	0	28,176,804	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	13,874,623							13,874,623		
11. Amounts recoverable from reinsurers December 31, prior year	0									
12. Incurred benefits:										
12.1 Direct	466,351,912	0	0	0	0	0	0	466,351,912	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	466,351,912	0	0	0	0	0	0	466,351,912	0	0
13. Incurred medical incentive pools and bonuses	19,111,297	0	0	0	0	0	0	19,111,297	0	0

(a) Excludes $.....0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct	0									
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	0	0	0	0	0	0	0	0	0	0
2. Incurred but unreported:										
2.1 Direct	65,706,467							65,706,467		
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	65,706,467	0	0	0	0	0	0	65,706,467	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	65,706,467	0	0	0	0	0	0	65,706,467	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	65,706,467	0	0	0	0	0	0	65,706,467	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)					0	
2. Medicare supplement					0	
3. Dental only					0	
4. Vision only					0	
5. Federal employees health benefits plan					0	
6. Title XVIII - Medicare					0	
7. Title XIX - Medicaid	54,677,478	407,940,740	3,331,886	62,374,581	58,009,364	28,176,804
8. Other health					0	
9. Health subtotal (Lines 1 to 8)	54,677,478	407,940,740	3,331,886	62,374,581	58,009,364	28,176,804
10. Healthcare receivables (a)					0	
11. Other non-health					0	
12. Medical incentive pools and bonus amounts	17,048,723	1,287,306	9,284,060	19,476,825	26,332,783	13,874,624
13. Totals (Lines 9 - 10 + 11 + 12)	71,726,201	409,228,046	12,615,946	81,851,406	84,342,147	42,051,428

(a) Excludes $.....0 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior					
2. 2013					
3. 2014	XXX				
4. 2015	XXX	XXX	120,710	41,847	3,098
5. 2016	XXX	XXX	XXX	229,471	63,245
6. 2017	XXX	XXX	XXX	XXX	397,492

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior					
2. 2013					
3. 2014	XXX				
4. 2015	XXX	XXX	120,710	41,847	3,550
5. 2016	XXX	XXX	XXX	229,471	71,026
6. 2017	XXX	XXX	XXX	XXX	470,909

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - GRAND TOTAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013				0.0	0	0.0			0	0.0
2. 2014				0.0	0	0.0			0	0.0
3. 2015	193,401	165,655	1,657	1.0	167,312	86.5	452		167,764	86.7
4. 2016	249,582	292,716	2,927	1.0	295,643	118.5	7,781		303,424	121.6
5. 2017	541,682	394,720	3,975	1.0	398,695	73.6	86,234	562	485,491	89.6

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

($000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior					
2. 2013					
3. 2014	XXX				
4. 2015	XXX	XXX	120,710	41,847	165,655
5. 2016	XXX	XXX	XXX	229,471	292,716
6. 2017	XXX	XXX	XXX	XXX	394,720

SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2013	2 2014	3 2015	4 2016	5 2017
1. Prior					
2. 2013					
3. 2014	XXX				
4. 2015	XXX	XXX	120,710	41,847	3,550
5. 2016	XXX	XXX	XXX	229,471	71,026
6. 2017	XXX	XXX	XXX	XXX	470,909

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XIX - MEDICAID

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2013		0		0.0	0	0.0			0	0.0
2. 2014		0		0.0	0	0.0			0	0.0
3. 2015	193,401	165,655	1,657	1.0	167,312	86.5	452		167,764	86.7
4. 2016	249,582	292,716	2,927	1.0	295,643	118.5	7,781		303,424	121.6
5. 2017	541,682	394,720	3,975	1.0	398,695	73.6	86,234	562	485,491	89.6

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

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent ($.....0 for occupancy of own building)			1,248,230		1,248,230
2. Salaries, wages and other benefits			27,868,597		27,868,597
3. Commissions (less $.....0 ceded plus $.....0 assumed)			2,571,631		2,571,631
4. Legal fees and expenses			681,158		681,158
5. Certifications and accreditation fees			77,891		77,891
6. Auditing, actuarial and other consulting services			3,094,865		3,094,865
7. Traveling expenses			93,985		93,985
8. Marketing and advertising			2,510,656		2,510,656
9. Postage, express and telephone			1,302,320		1,302,320
10. Printing and office supplies			94,996		94,996
11. Occupancy, depreciation and amortization			3,498,302		3,498,302
12. Equipment			15,792		15,792
13. Cost or depreciation of EDP equipment and software					0
14. Outsourced services including EDP, claims, and other services					0
15. Boards, bureaus and association fees					0
16. Insurance, except on real estate			291,678		291,678
17. Collection and bank service charges					0
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses			679,941		679,941
22. Real estate taxes			175,256		175,256
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes					0
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees					0
23.4 Payroll taxes					0
23.5 Other (excluding federal income and real estate taxes)			329,208		329,208
24. Investment expenses not included elsewhere					0
25. Aggregate write-ins for expenses	0	0	9,017,797	0	9,017,797
26. Total expenses incurred (Lines 1 to 25)	0	0	53,552,303	0	(a) 53,552,303
27. Less expenses unpaid December 31, current year			928,326		928,326
28. Add expenses unpaid December 31, prior year			262,323		262,323
29. Amounts receivable relating to uninsured plans, prior year					0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	0	52,886,300	0	52,886,300

DETAILS OF WRITE-INS

2501. Public & Provider Relations			711,858		711,858
2502. Data Process, Special Projects & Other Expenses			8,305,939		8,305,939
2503.					0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	9,017,797	0	9,017,797

(a) Includes management fees of $.....0 to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 173,215	203,300
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 618,912	690,344
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 7,741	7,143
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	0	898,593
10.	Total gross investment income	799,868	1,799,380
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		0
17.	Net investment income (Line 10 minus Line 16)		1,799,380

DETAILS OF WRITE-INS

0901.	Other Income		898,593
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	898,593
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....67,362 accrual of discount less $.....100,799 amortization of premium and less $.....85,759 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....1,340 accrual of discount less $.....1,060 amortization of premium and less $.....5,750 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	75		75		
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	(7,206)		(7,206)		
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)			0		
2.21	Common stocks of affiliates			0		
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments	884		884		
7.	Derivative instruments			0		
8.	Other invested assets			0		
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	(6,247)	0	(6,247)	0	0

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	98,326	442,643	344,317
12. Subtotals, cash and invested assets (Lines 1 to 11)	98,326	442,643	344,317
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	2,977,374		(2,977,374)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	3,419	1,395,884	1,392,465
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable			0
25. Aggregate write-ins for other-than-invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	3,079,119	1,838,527	(1,240,592)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	3,079,119	1,838,527	(1,240,592)

DETAILS OF WRITE-INS

1101. Advance to Providers	98,326	442,643	344,317
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	98,326	442,643	344,317
2501.			0
2502.			0
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health maintenance organizations	125,674	276,455	267,482	260,162	257,562	3,188,390
2. Provider service organizations						
3. Preferred provider organizations						
4. Point of service						
5. Indemnity only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	125,674	276,455	267,482	260,162	257,562	3,188,390

DETAILS OF WRITE-INS

0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

	SSAP #	F/S Page	F/S Line #	2017	2016
NET INCOME					
(1) MMM Multi Health, LLC Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	$ 4,186,153	$ (1,326,058)
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				$	$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				$	$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	$ 4,186,153	$ (1,326,058)
SURPLUS					
(5) MMM Multi Health, LLC Company state basis (Page 3, line 33, Columns 3 & 4)	XXX	XXX	XXX	$ 55,771,595	$ 18,785,828
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				$	$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				$	$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	$ 55,771,595	$ 18,785,828

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

The preparation of the statutory financial statements requires management of the Company to make estimates and assumptions relating to the reported amounts included in the statutory financial statements and accompanying notes. The most significant items subject to estimates and assumptions are the actuarial determination for medical claims liabilities, and the Company's estimated receivable from ASES. Actual results could differ from these estimates.

C. Accounting Policy

Organization

MMM Multi Health, LLC (the Company), previously known as Red Médica de Puerto Rico, Inc., was organized under the laws of the Commonwealth of Puerto Rico on December 28, 2000 and is a wholly owned subsidiary of MMM Holdings, LLC (Holdings or Parent Company), a corporation organized under the laws of the Commonwealth of Puerto Rico. Holdings is a wholly owned subsidiary of InnovaCare Inc., a corporation organized under the laws of the Commonwealth of Puerto Rico.

The Company currently provides managed care health insurance benefits to the Government Health Plans (GHP), Medicaid, Children's Health Insurance Program (CHIP) and other eligible subscribers, in the Northeast region of the Commonwealth of Puerto Rico through a contract with the Puerto Rico Health Insurance Administration/Administración de Seguros de Salud de Puerto Rico (ASES) from April 1, 2015 through June 30, 2017. On January 1, 2017, PMC Medicare Choice, LLC (an affiliate) assigned its GHP contract and all of the assets and liabilities relating to such contract to the Company, and the Company assumed all obligations with respect to such assets and liabilities as of January 1, 2017.

Basis of Presentation

The accompanying statutory financial statements of the Company have been prepared in accordance with accounting practices prescribed or permitted by the Commissioner of Insurance of the Commonwealth of Puerto Rico (the Commissioner of Insurance), which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. The Commissioner of Insurance has adopted the National Association of Insurance Commissioners' statutory accounting practices (NAIC SSAP), as the basis of its statutory accounting practices, as long as they do not contradict the provisions of the Insurance Code of the Commonwealth of Puerto Rico (the Insurance Code) or the Circular Letters issued by the Commissioner of Insurance.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. Prescribed statutory accounting practices (SSAP) include a variety of publications of the National Association of Insurance Commissioners (NAIC) including its codification initiative contained in its *Accounting Practices and Procedures Manual*, as well as state laws, regulations, and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

Recognition of Premium Revenue

Premium revenue is recognized as revenue over the period in which service or benefits are obligated to be provided. Substantially, all revenues recognized by the Company are received from the ASES. Revenues are recognized ratably over the period of coverage based on anticipated ASES reimbursement rates, number of enrollees, and expected Medicaid eligibility. Actual amounts received from ASES are subject to adjustment based on subsequent review of members' eligibility. An estimate is made of such retroactive adjustments based on historical trends, premiums billed, number of members, expected eligibility, and other information. Retroactive membership adjustments result from enrollment changes not yet processed, or not yet reported by ASES.

Cash, Cash Equivalents, and Short-Term Investments

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents (none at December 31, 2017 or 2016). Short-term investments are defined as short-term highly liquid investments with remaining maturities of one year or less at the time of acquisition (excluding those investments classified as cash equivalents). Short-term investments having an original maturity of less than one year are stated at cost. At December 31, 2017 and 2016, cash and short-term investments consisted of cash deposited in financial institutions and money market funds amounting to approximately $84,714,000 and $32,738,000, respectively, of which approximately $0 and $2,067,000, respectively, represent short-term investments at December 31, 2017 and 2016. In addition, the Company has a certificate deposit amounted to $600,000 as of December 31, 2017 and 2016, deposited with the Puerto Rico Commissioner of Insurance in order to comply with the deposit requirements of the Insurance Code. This amount cannot be used in the Company's operations unless previously approved by the Puerto Rico Commissioner of Insurance.

NOTES TO FINANCIAL STATEMENTS

Investment Securities

Bonds and other debt securities, and equity securities are reported in accordance with rules promulgated by NAIC. Bonds that are designated highest quality, NAIC designation 1 and 2, are reported at amortized cost, and bonds that are classified as NAIC designation 3 or lower are reported at lower of amortized cost or fair value. Other debt securities eligible for amortization under such rules and nonredeemable preferred stocks are stated at amortized cost. Equity securities are carried at estimated fair value. Adjustments reflecting the unrealized appreciation or depreciation of equity securities are shown as a component of surplus, net of tax and are not included in the determination of the net gain (loss) from operations.

Realized gains or losses on the sale of investments are included in operations and are derived using the specific-identification method for determining the cost of securities sold. Interest and dividend income is recognized when earned.

The Company applies the provisions of SSAP No. 43R, *Loan-Backed and Structured Securities*, which requires insurers to separate other-than-temporary impairments between interest and noninterest-related declines in the value of all loan-backed and structured securities.

A decline in the fair value of any security below cost that is deemed to be other-than-temporary impairment (OTTI) results in a reduction in carrying amount to fair value. The impairment is charged to operations and a new cost basis for the security is established. To determine whether impairment is other-than temporary, the Company considers all available information relevant to the recoverability of the security, including past events, current conditions, and reasonable and supportable forecasts when developing an estimate of cash flows expected to be collected. Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the impairment, changes in value subsequent to year-end and forecasted performance of the investee.

Premiums and discounts on bonds and other debt securities are amortized or accreted over the life of the related security as an adjustment to yield using the effective-interest method. Such amortization and accretion is included in investment income in the accompanying statutory statements of revenue and expenses.

The Company's investments are exposed to three primary sources of risk: credit, interest rate, and liquidity risk. The financial statement risks, stemming from such investment risks, are those associated with the determination of estimated fair values, the diminished ability to sell certain investments in times of strained market conditions, the recognition of impairments and the recognition of income on certain investments. These financial statement risks may have a material effect on the amounts presented within the statutory financial statements.

Fair Value Measurements

The Company follows the guidance in SSAP No. 100, *Fair Value Measurements*, for fair value measurements of financial assets and financial liabilities that are recognized or disclosed at fair value in the statutory financial statements on a recurring basis. SSAP No. 100 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The carrying amounts of cash and cash equivalents, short-term investments, premium receivables, net, other receivables, and accounts payable, and accrued expenses approximate fair value because of the short-term nature of these instruments that should be collected or paid within 12 months after year-end.

The Company utilizes valuation techniques that maximize the use of observable inputs and minimizes the use unobservable inputs. Additional information on the fair value of investments is included in note 4.

Medical Claim Liabilities and Medical Costs and Claims

Medical claim liabilities are accrued as services are rendered, including claims in process and other medical liabilities and an estimate for claims incurred but not yet reported (IBNR). The IBNR is determined based upon an actuarial analysis of the Company's historical claim payment patterns, management estimates, and other statistics. In addition, the Company contracts with various service providers, which are compensated based on a capitation basis. Expenses related to these providers, which are based in part on estimates, are recorded in the period in which the related services are rendered.

The medical claim liabilities are based on estimates and, while management believes that the amounts are adequate, the ultimate liability may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the statutory statements of revenue and expenses of the current period. Other medical claims liabilities include medical costs disputes based upon an analysis of potential outcomes, assuming a combination of litigation and settlement strategies. The actual results could differ materially from the amount recorded in the statutory financial statements of the Company.

Medical costs and claims consist of claim payments, capitation payments, risk-sharing payments, compensation to doctors and pharmacy costs, as well as estimates of future payments of claims provided for services rendered prior to the end of the reporting period. Capitation payments represent monthly contractual fees disbursed to physicians and other providers who are responsible for providing medical care to members. Risk-sharing payments represent amounts paid under risk-sharing arrangements with providers, including independent physician associations. Pharmacy costs represent payments for members' prescription drug benefits.

Premiums the Company pays to reinsurers are reported as an off-set to premiums, and related reinsurance recoveries are reported as reductions from medical expenses.

Income Taxes

Income taxes are accounted for in accordance with SSAP No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10* (SSAP 101). Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Under SSAP 101, the amount permitted to be recognized is more restrictive and, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in the accompanying statutory statement of changes in capital and surplus in the period that includes the enactment date.

Under SSAP 101, gross deferred tax assets generally are admitted to the extent the Company's income taxes paid in prior years can be recovered through loss carrybacks; plus the amounts determined by applying the *Realization Threshold Limitation Table – RBC Reporting Entities (RBC Reporting Entity)*; plus any remaining deferred tax assets that can be offset against existing gross deferred tax liabilities.

NOTES TO FINANCIAL STATEMENTS

The Company reviews its gross deferred tax assets for realizability and in assessing the total deferred tax assets that will be realized management considers historical taxable income, projected future taxable income, applicable tax strategies, and the expected timing of the reversals of existing temporary differences. A valuation allowance is provided when it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Management believes, it is more likely than not the Company will be able to realize all gross deferred tax assets and therefore, no valuation allowance was established as of December 31, 2017 or 2016.

The Company is organized as a single member Limited Liability Company (LLC) and elected to be treated as a partnership for Puerto Rico tax purposes pursuant to the provisions of Sections 1034.04(b)(6) and 1072.01 of the Puerto Rico tax code. Therefore, the Company is not considered a taxable entity and the Company's net taxable income or loss will be included as part of InnovaCare's results of operations, pursuant to Section 1071.01 of the Puerto Rico tax code. The Company entered into a tax sharing agreement to provide Holdings with the funds necessary to satisfy the Company's share of income taxes. Income tax payments are allocated to the Company based on their taxable income or loss as if had been taxed as a corporation instead of a partnership.

The Company accounts for uncertainty in income taxes by prescribing a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Company recognizes interest and penalties relating to uncertain tax positions in income tax expense. For the years ended December 31, 2017 and 2016 there were no unrecognized tax benefits.

D. Going Concern - Not applicable

Note 2 – Accounting Changes and Correction of Errors - Not applicable

Note 3 – Business Combinations and Goodwill - Not applicable

A. Statutory Purchase Method **-** Not applicable

B. Statutory Merger **-** Not applicable

C. Assumption Reinsurance **-** Not applicable

D. Impairment Loss **-** Not applicable

Note 4 – Discontinued Operations - Not applicable

A. Discontinued Operation Disposed of or Classified as Held for Sale **-** Not applicable

B. Change in Plan of Sale of Discontinued Operation **-** Not applicable

C. Nature of any Significant Continuing Involvement with Discontinued Operations After Disposal **-** Not applicable

D. Equity Interest Retained in the Discontinued Operation After Disposal **-** Not applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans **-** Not applicable

B. Debt Restructuring **-** Not applicable

C. Reverse Mortgages **-** Not applicable

D. Loan-Backed Securities

(1) Description of Sources Used to Determined Prepayment Assumptions **-** Not applicable

(2) Other-Than-Temporary Impairments **-** Not applicable

(3) Recognized OTTI securities - Not applicable

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	$	233,552
	2. 12 Months or Longer	$	164,252
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	$	37,107,660
	2. 12 Months or Longer	$	13,497,084

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary - Not applicable

E. Dollar Repurchase Agreements and/or Securities Lending Transactions **-** Not applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing **-** Not applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing
Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions **-** Not applicable

H. Repurchase Agreements Transactions Accounted for as a Sale
Repurchase Transaction – Cash Taker – Overview of Sale Transactions **-** Not applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
Repurchase Transaction – Cash Provider – Overview of Sale Transactions **-** Not applicable

NOTES TO FINANCIAL STATEMENTS

J. Real Estate - Not applicable

K. Low-Income Housing Tax Credits (LIHTC) - Not applicable

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross Restricted from Current Year	2 Total Gross Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Nonadmitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	7 Additional Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	$	$	$	$	$	%	%
b. Collateral held under security lending arrangements						%	%
c. Subject to repurchase agreements						%	%
d. Subject to reverse repurchase agreements						%	%
e. Subject to dollar repurchase agreements						%	%
f. Subject to dollar reverse repurchase agreements						%	%
g. Placed under option contracts						%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock						%	%
i. FHLB capital stock						%	%
j. On deposit with states						%	%
k. On deposit with other regulatory bodies		600,000	(600,000)			%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)						%	%
m. Pledged as collateral not captured in other categories						%	%
n. Other restricted assets						%	%
o. Total Restricted Assets	$	$ 600,000	$ (600,000)	$	$	%	%

(a) Column 1 divided by Asset Page, Column 1, Line 28
(b) Column 5 divided by Asset Page, Column 1, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contacts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate) - Not applicable

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate) - Not applicable

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements - Not applicable

M. Working Capital Finance Investments

(1) Aggregate Working Capital Finance Investments (WCFI) Book/Adjusted Carrying Value by NAIC Designation - Not applicable

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs

	Book/Adjusted Carrying Value
a. Up to 180 Days	$ 19,055,317
b. 181 to 365 Days	6,649,107
c. Total	$ 25,704,424

T05L029901;99;NINVEST:WORKCAP;D

(3) Any Events of Default or Working Capital Finance Investments - Not applicable

N. Offsetting and Netting of Assets and Liabilities - Not applicable

O. Structured Notes - Not applicable

P. 5* Securities - Not applicable

Q. Short Sales - Not applicable

R. Prepayment Penalty and Acceleration Fees - Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies - Not applicable

A. Investments in Joint Ventures, Partnerships and Limited Liability Companies that Exceed 10% of Ownership - Not applicable

B. Investments in Impaired Joint Ventures, Partnerships and Limited Liability Companies - Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 7 – Investment Income

A. Components of investment income for the years ended December 31, 2017 and 2016 are as follows:

		2017	2016
Bonds and other debt securities, and certificates of deposit	$	959,784	196,153
Interest income on GHP premiums		833,349	820,743
Total	$	1,793,133	1,016,896

B. For the year ended December 31, 2017, net realized losses of $6,247 are included as component of investment income.

Note 8 – Derivative Instruments - Not applicable

A. Market Risk, Credit Risk and Cash Requirements - Not applicable

B. Objectives for Derivative User - Not applicable

C. Accounting Policies for Recognition and Measurement - Not applicable

D. Identification of Whether Derivative Contacts with Financing Premiums - Not applicable

E. Net Gain or Loss Recognized - Not applicable

F. Net Gain or Loss Recognized from Derivatives that no Longer Qualify for Hedge Accounting - Not applicable

G. Derivatives Accounted for as Cash Flow Hedges - Not applicable

H. Total Premium Costs for Contracts - Not applicable

Note 9 – Income Taxes

A. The income tax expense differs from the amount computed by applying the Puerto Rico statutory income tax rate of 39% in 2017 and 2016 to the income before income taxes as a result of the following:

		2017	2016
Computed "expected" tax expense (benefit)	$	1,739,104	(517,163)
(Decrease) increase in income benefit resulting from:			
Exempt Income		(70,131)	—
Change in Non Admitted Deferred Income taxes related to non admitted assets		—	(150,585)
Other		(1,395,884)	—
Total	$	273,089	(667,748)
Income tax	$	273,089	—
Change in deferred income taxes		—	(667,748)
Total statutory income tax expense	$	273,089	(667,748)

Deferred income taxes reflect the tax effects of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and income tax purposes. The deferred tax asset at December 31, 2017 and 2016 of the Company is composed of the following:

		2017	2016	Change
Deferred tax assets:				
Ordinary:				
Advances to providers	$	(2,587)	172,631	(175,218)
Accounts Receivables		1,022,467	—	1,022,467
Net operating loss		—	1,395,884	(1,395,884)
Total deferred tax assets		1,019,880	1,568,515	(548,635)
Nonadmitted		—	(1,395,884)	1,395,884
Admitted ordinary deferred tax assets	$	1,019,880	172,631	847,249

All the deferred tax assets are admitted under SSAP applying the *Realization Threshold Limitation Table – RBC Reporting Entities* paragraphs 11.b.i and 11.b.ii.

Admissibility of deferred tax asset pursuant to paragraphs 11.b.i and 11.b.ii of SSAP 101 was based on RBC ratio excluding the admitted deferred tax assets. Such ratio as of December 31, 2017 was 294%.

NOTES TO FINANCIAL STATEMENTS

The change in deferred income taxes amounted to $0 and $667,748 in 2017 and 2016, respectively.

The Company files its Partnership informative return with a statute of limitation. In the normal course of the business, the Company is subject to examination by various taxing authorities. As of December 31, 2017, the Company may be subject to income tax examinations for the fiscal tax years ended 2016 through 2017.

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

A. Nature of the Relationship Involved - Holdings provides certain management, insfrastructure support, consulting, and implementation services in the operations of the Company and other subsidiaries of Holdings.

B. Transactions - For these services, Holdings charges a management fee based on 120% of Holdings monthly operating expenses.

C. Dollar Amounts of Transactions - Holdings charged the Company approximately $53,527,000 and $26,673,000 during the years ended December 31, 2017 and 2016, respectively, which is included in general and administrative expenses in the accompanying statutory statements of revenues and expenses.

D. Amounts Due From or To Related Parties - The amounts due to and due from parent company at December 31, 2017 and 2016 are noninterest-bearing.

E. Guarantees or Undertakings - Not applicable

F. Material Management or Service Contracts and Cost-Sharing Arrangements - Not applicable

G. Nature of the Control Relationship - Not applicable

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned - Not applicable

I. Investments in SCA that Exceed 10% of Admitted Assets - Not applicable

J. Investments in Impaired SCAs - Not applicable

K. Investment in Foreign Insurance Subsidiary - Not applicable

L. Investment in Downstream Noninsurance Holding Company - Not applicable

M. All SCA Investments - Not applicable

N. Investment in Insurance SCAs - Not applicable

Note 11 – Debt - Not applicable

A. Debt Including Capital Notes - Not applicable

B. FHLB (Federal Home Loan Bank) Agreements - Not applicable

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not applicable

A. Defined Benefit Plan - Not applicable

B. Investment Policies and Strategies - Not applicable

C. Fair Value of Plan Assets - Not applicable

D. Basis Used to Determine Expected Long-Term Rate-of-Return - Not applicable

E. Defined Contribution Plans - Not applicable

F. Multiemployer Plans - Not applicable

G. Consolidated/Holding Company Plans - Not applicable

H. Postemployment Benefits and Compensated Absences - Not applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - Not applicable

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

(1) Number of Share and Par or State Value of Each Class - The Company has 400,000 shares authorized and issued. All shares are Class A shares.

(2) Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues - The Company has no preferred stock outstanding.

(3) Dividend Restrictions - Not applicable

(4) Dates and Amounts of Dividends Paid - Not applicable

(5) Profits that may be Paid as Ordinary Dividends to Stockholders - Not applicable

(6) Restrictions Plans on Unassigned Funds (Surplus) - Not applicable

(7) Amount of Advances to Surplus not Repaid - Not applicable

NOTES TO FINANCIAL STATEMENTS

(8) Amount of Stock Held for Special Purposes - Not applicable

(9) Reasons for Changes in Balance of Special Surplus Funds from Prior Period - Not applicable

(10) The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: $0.

(11) The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations - Not applicable

(12) The impact of any restatement due to prior quasi-reorganizations is as follows - Not applicable

(13) Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization - Not applicable

Note 14 – Liabilities, Contingencies and Assessments - Not applicable

A. Contingent Commitments - Not applicable

B. Assessments - Not applicable

C. Gain Contingencies - Not applicable

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Total SSAP 97 and SSAP 48 Contingent Liabilities - Not applicable

E. Joint and Several Liabilities - Not applicable

F. All Other Contingencies - Not applicable

Note 15 – Leases - Not applicable

A. Lessee Operating Lease - Not applicable

B. Lessor Leases - Not applicable

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk - Not applicable

1. The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk - Not applicable

2. Nature and Terms of Off-Balance Sheet Risk - Not applicable

3. Amount of Loss if any Party to the Financial Instrument Failed - Not applicable

4. Collateral or Other Security Required to Support Financial Instrument - Not applicable

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not applicable

A. Transfers of Receivables Reported as Sales - Not applicable

B. Transfer and Servicing of Financial Assets - Not applicable

C. Wash Sales - Not applicable

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans - Not applicable

A. ASO Plans - Not applicable

B. ASC Plans - Not applicable

C. Medicare or Similarly Structured Cost Based Reimbursement Contract - Not applicable

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - Not applicable

Note 20 – Fair Value Measurements

A. Fair Value Measurements
(1) Fair Value Measurements at Reporting Date

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
Assets at Fair Value					
Cash Equivalents	$ 39,305,932	$	$	$ 39,305,932	$
Investments	$	$ 68,859,348	$	$ 68,859,348	$
Restricted certificate of deposit	$ 600,000	$	$	$ 600,000	$
Total	$ 39,905,932	$ 68,859,348	$	$ 108,765,280	$
Liabilities at Fair Value					
	$	$	$	$	$
Total	$	$	$	$	$

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - Not applicable

NOTES TO FINANCIAL STATEMENTS

(3) Policies when Transfers Between Levels are Recognized - Not applicable

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement - Not applicable

(5) Fair Value Disclosures - Not applicable

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements - Not applicable

C. Fair Value Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Cash Equivalents	$ 39,305,932	$ 39,305,932	$ 39,305,932	$	$	$	$
US Treasury securities and obligations of US government agencies, states and authorities	$ 40,397,295	$ 40,616,270	$	$ 40,397,295	$	$	$
Foreign Government Securities	$ 198,993	$ 199,962	$	$ 198,993	$	$	$
Corporate	$ 15,798,224	$ 15,874,171	$	$ 15,798,224	$	$	$
Mortgage Backed Securities	$ 6,863,055	$ 6,924,618	$	$ 6,863,055	$	$	$
Asset Backed Securities	$ 4,043,369	$ 4,061,931	$	$ 4,043,369	$	$	$
Collateralized Mortgage Backed Securities	$ 1,558,412	$ 1,569,581	$	$ 1,558,412	$	$	$
Restricted certificate of deposit	$ 600,000	$ 600,000	$ 600,000	$	$	$	$

D. Not Practicable to Estimate Fair Value - Not applicable

Note 21 – Other Items

A. Unusual or Infrequent Items - In January 2017, MMM Multihealth and PMC agreed to a novation agreement with Administracion de Servicios de Salud ("ASES"), a Local agency within the Government of Puerto Rico, to transfer PMC's Mi Salud contract with ASES to MMM Multihealth (the "Novation"). In connection with the Novation, PMC assigned all of the assets and liabilities relating to Mi Salud contract to MMM Multihealth, and MMM Multihealth assumed all obligations with respect to such assets and liabilities. Net assets transferred under novation agreement approximately amounted to $13,090,000.

B. Troubled Debt Restructuring Debtors - Not applicable

C. Other Disclosures - Not applicable

D. Business Interruption Insurance Recoveries - Not applicable

E. State Transferable and Non-Transferable Tax Credits - Not applicable

F. Subprime Mortgage Related Risk Exposure - Not applicable

G. Retained Assets - Not applicable

H. Insurance-Linked Securities (ILS) Contracts- Not applicable

Note 22 – Events Subsequent - Non significant changes.

Note 23 – Reinsurance- Not applicable

A. Ceded Reinsurance Report - Not applicable

B. Uncollectible Reinsurance - Not applicable

C. Commutation of Ceded Reinsurance - Not applicable

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination - Not applicable

A. Method Used to Estimate Accrued Retrospective Premium Adjustments - Not applicable

B. Retrospective Premiums Recorded Through Written Premium or Adjustment to Earned Premium - Not applicable

C. Amount and Percentage of Net Premiums Written Subject to Retrospective Rating Features - Not applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not applicable

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

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2017 were $88.3 million. As of December 31, 2017, $71.7 million has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are now $12.6 million. Therefore, there has been a $4 million favorable prior year development during the year ended December 31, 2017. The favorable prior year development is attributed to lower than expected cost per service and utilization trends.

B. Information about Significant Changes in Methodologies and Assumptions - Not Applicable

NOTES TO FINANCIAL STATEMENTS

Note 26 – Intercompany Pooling Arrangements - Not Applicable

A. Identification of the Lead Entity and all Affiliated Entities Participating in the Intercompany Pool - Not Applicable

B. Description of Lines and Types of Business Subject to the Pooling Agreement - Not Applicable

C. Description of Cessions to Non-Affiliated Reinsurance Subject to Pooling Agreement - Not Applicable

D. Identification of all Pool Members that are Parties to Reinsurance Agreements with Non-Affiliated Reinsurers - Not Applicable

E. Explanation of Discrepancies Between Entries of Pooled Business - Not Applicable

F. Description of Intercompany Sharing - Not Applicable

G. Amounts Due To/From Lead Entity and all Affiliated Entities Participating in the Intercompany Pool - Not Applicable

Note 27 – Structured Settlements - Not Applicable

Note 28 – Health Care Receivables - Not Applicable

Note 29 – Participating Policies - Not Applicable

Note 30 – Premium Deficiency Reserves - Not Applicable

Note 31 – Anticipated Salvage and Subrogation - Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State regulating? Puerto Rico

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change: _____

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. _____

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____

3.4 By what department or departments?

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [ ] No [X]

4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

5.2 If yes, provide the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,

7.21 State the percentage of foreign control _____ %

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [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 the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG, LLP 250 Muñoz Rivera Ave. Suite 100 San Juan PR 0091

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

10.6 If the response to 10.5 is no or n/a, please explain:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Timothy Dickson Innovacare HealthFort Lee NJ

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $ 0

12.2 If yes, provide explanation

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [X]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [X]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers $ 0

20.12 To stockholders not officers $ 0

20.13 Trustees, supreme or grand (Fraternal only) $ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers $ 0

20.22 To stockholders not officers 0

20.23 Trustees, supreme or grand (Fraternal only) 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [ ] No [X]

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

21.21 Rented from others $ 0

21.22 Borrowed from others $ 0

21.23 Leased from others $ 0

21.24 Other $ 0

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $ 0

22.22 Amount paid as expenses $ 0

22.23 Other amounts paid $ 0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [X]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

INVESTMENT

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No [ ]

24.02 If no, give full and complete information, relating thereto:

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs $ 0

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09. Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [X]

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

24.103 Total payable for securities lending reported on the liability page: $ 0

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

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

25.21	Subject to repurchase agreements	$ 0
25.22	Subject to reverse repurchase agreements	$ 0
25.23	Subject to dollar repurchase agreements	$ 0
25.24	Subject to reverse dollar repurchase agreements	$ 0
25.25	Placed under option agreements	$ 0
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	$ 0
25.27	FHLB Capital Stock	$ 0
25.28	On deposit with states	$ 600,000
25.29	On deposit with other regulatory bodies	$ 0
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	$ 0
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	$ 0
25.32	Other	$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		$

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: $ 0

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
Conning	One Financial Plaza. Hartford, CT 06103, USA

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

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

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

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["…that have access to the investment accounts", "… handle securities"].

1 Name of Firm or Individual	2 Affiliation

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ ] No [ ]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [ ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

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

29.2 If yes, complete the following schedule:

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

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

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

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	$ 69,246,887	$ 69,246,887	$ 0
30.2	Preferred Stocks	$ 0	$ 0	$ 0
30.3	Totals	$ 69,246,887	$ 69,246,887	$ 0

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

SVO

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

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

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

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

32.2 If no, list exceptions:

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designation 5*GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes [ ] No [X]

OTHER

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

34.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
	$

35.1 Amount of payments for legal expenses, if any? $ 641,023

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	$

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

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

1 Name	2 Amount Paid
	$

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes [ ]	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	$	0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	$	0
1.31	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	$	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	$	0
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	$	0
1.62	Total incurred claims	$	0
1.63	Number of covered lives		0
	All years prior to most current three years:		
1.64	Total premium earned	$	0
1.65	Total incurred claims	$	0
1.66	Number of covered lives		0
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	$	0
1.72	Total incurred claims	$	0
1.73	Number of covered lives		0
	All years prior to most current three years:		
1.74	Total premium earned	$	0
1.75	Total incurred claims	$	0
1.76	Number of covered lives		0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 541,681,621	$ 249,582,009
2.2	Premium Denominator	$ 541,681,621	$ 249,582,009
2.3	Premium Ratio (2.1/2.2)	100.0%	100.0%
2.4	Reserve Numerator	$ 94,467,352	$ 42,051,427
2.5	Reserve Denominator	$ 94,467,352	$ 42,051,427
2.6	Reserve Ratio (2.4/2.5)	100.0%	100.0%

3.1	Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?	Yes [ ]	No [X]
3.2	If yes, give particulars:		
4.1	Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?	Yes [X]	No [ ]
4.2	If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?	Yes [X]	No [ ]
5.1	Does the reporting entity have stop-loss reinsurance?	Yes [X]	No [ ]
5.2	If no, explain:		
5.3	Maximum retained risk (see instructions)		
5.31	Comprehensive Medical	$	0
5.32	Medical Only	$	0
5.33	Medicare Supplement	$	0
5.34	Dental and Vision	$	0
5.35	Other Limited Benefit Plan	$	0
5.36	Other	$	0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

GENERAL INTERROGATORIES

PART 2 – HEALTH INTERROGATORIES

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

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 0

8.2 Number of providers at end of reporting year 0

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

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees with rate guarantees between 15-36 months $ 0

9.22 Business with rate guarantees over 36 months $ 0

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No [ ]

10.2 If yes:

10.21 Maximum amount payable bonuses 28,760,885

10.22 Amount actually paid for year bonuses 17,048,723

10.23 Maximum amount payable withholds 0

10.24 Amount actually paid for year withholds 0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [ ] No [X]

11.13 An Individual Practice Association (IPA), or, Yes [ ] No [X]

11.14 A Mixed Model (combination of above)? Yes [ ] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No [ ]

11.3 If yes, show the name of the state requiring such minimum capital and surplus.
Puerto Rico

11.4 If yes, show the amount required. $ 37,889,329

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [X]

11.6 If the amount is calculated, show the calculation

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area

13.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. $ 0

13.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

13.4 If yes, please provide the balance of the funds administered as of the reporting date. $ 0

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [ ] No [ ] N/A [X]

14.2 If the answer to 14.1 is yes, please provide the following:

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

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).

15.1 Direct Premium Written $ 0

15.2 Total Incurred Claims $ 0

15.3 Number of Covered Lives 0

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

FIVE-YEAR HISTORICAL DATA

	1 2017	2 2016	3 2015	4 2014	5 2013
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	171,677,929	63,500,491	67,467,380	645,582	600,000
2. Total liabilities (Page 3, Line 24)	115,906,334	44,714,663	51,873,240	600,000	613,371
3. Statutory minimum capital and surplus requirement	37,889,329	17,640,538			
4. Total capital and surplus (Page 3, Line 33)	55,771,595	18,785,828	15,594,140	45,582	(13,371)
Income Statement Items (Page 4)					
5. Total revenues (Line 8)	541,681,621	249,582,009	193,401,014		
6. Total medical and hospital expenses (Line 18)	485,463,209	224,937,623	173,570,100		
7. Claims adjustment expenses (Line 20)					
8. Total administrative expenses (Line 21)	53,552,303	26,987,340	22,734,585	16,048	5,247
9. Net underwriting gain (loss) (Line 24)	2,666,109	(2,342,954)	(2,903,671)	(16,048)	(5,247)
10. Net investment gain (loss) (Line 27)	1,793,133	1,016,896	650,540		
11. Total other income (Lines 28 plus 29)					
12. Net income or (loss) (Line 32)	4,186,153	(1,326,058)	(2,253,131)	(16,048)	(5,247)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(1,264,705)	(10,567,204)	52,083,039		
Risk-Based Capital Analysis					
14. Total adjusted capital	55,771,595	18,785,828	15,594,140	45,582	(13,371)
15. Authorized control level risk-based capital	18,944,665	8,820,269	6,601,057	18,043	18,000
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	257,562	125,674	129,770		
17. Total member months (Column 6, Line 7)	3,188,390	1,518,308	1,198,249		
Operating Percentage (Page 4) **(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0**					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	89.6	90.1	89.7		
20. Cost containment expenses					
21. Other claims adjustment expenses					
22. Total underwriting deductions (Line 23)	99.5	100.9	101.5		
23. Total underwriting gain (loss) (Line 24)	0.5	(0.9)	(1.5)		
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	84,342,147	40,684,591			
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	42,051,428	45,573,479			
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [ ] No [ ]

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL	N							0	
2. Alaska AK	N							0	
3. Arizona AZ	N							0	
4. Arkansas AR	N							0	
5. California CA	N							0	
6. Colorado CO	N							0	
7. Connecticut CT	N							0	
8. Delaware DE	N							0	
9. District of Columbia DC	N							0	
10. Florida FL	N							0	
11. Georgia GA	N							0	
12. Hawaii HI	N							0	
13. Idaho ID	N							0	
14. Illinois IL	N							0	
15. Indiana IN	N							0	
16. Iowa IA	N							0	
17. Kansas KS	N							0	
18. Kentucky KY	N							0	
19. Louisiana LA	N							0	
20. Maine ME	N							0	
21. Maryland MD	N							0	
22. Massachusetts MA	N							0	
23. Michigan MI	N							0	
24. Minnesota MN	N							0	
25. Mississippi MS	N							0	
26. Missouri MO	N							0	
27. Montana MT	N							0	
28. Nebraska NE	N							0	
29. Nevada NV	N							0	
30. New Hampshire NH	N							0	
31. New Jersey NJ	N							0	
32. New Mexico NM	N							0	
33. New York NY	N							0	
34. North Carolina NC	N							0	
35. North Dakota ND	N							0	
36. Ohio OH	N							0	
37. Oklahoma OK	N							0	
38. Oregon OR	N							0	
39. Pennsylvania PA	N							0	
40. Rhode Island RI	N							0	
41. South Carolina SC	N							0	
42. South Dakota SD	N							0	
43. Tennessee TN	N							0	
44. Texas TX	N							0	
45. Utah UT	N							0	
46. Vermont VT	N							0	
47. Virginia VA	N							0	
48. Washington WA	N							0	
49. West Virginia WV	N							0	
50. Wisconsin WI	N							0	
51. Wyoming WY	N							0	
52. American Samoa AS	N							0	
53. Guam GU	N							0	
54. Puerto Rico PR	L			541,681,621				541,681,621	
55. U.S. Virgin Islands VI	N							0	
56. Northern Mariana Islands MP	N							0	
57. Canada CAN	N							0	
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	0	0	541,681,621	0	0	0	541,681,621	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	0	0	541,681,621	0	0	0	541,681,621	0

DETAILS OF WRITE-INS

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

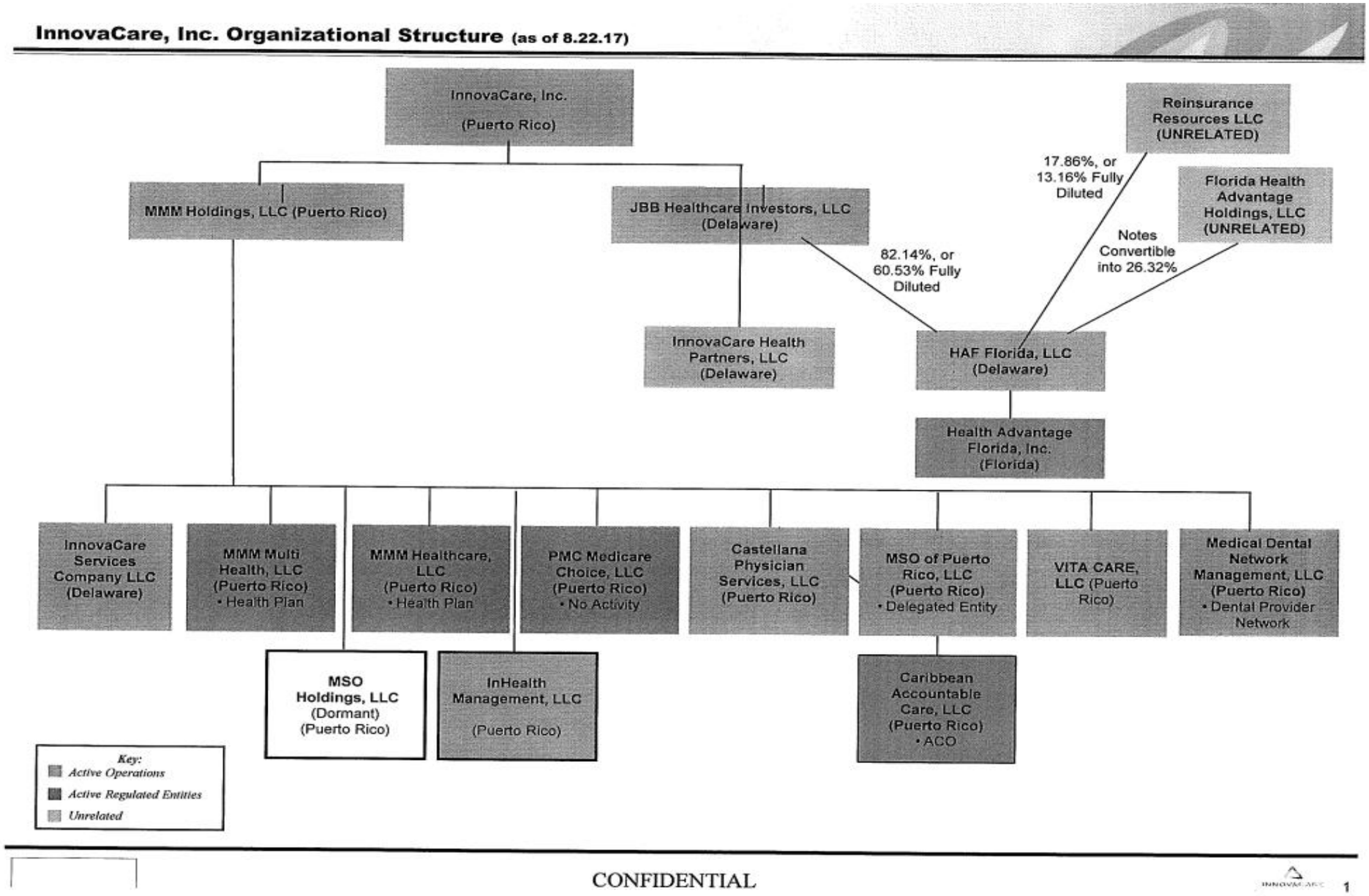
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to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

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

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

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

PART 1 – ORGANIZATIONAL CHART



2017 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK

Analysis of Operations By Lines of Business	7	Schedule D – Part 6 – Section 2	E16
Assets	2	Schedule D – Summary By Country	SI04
Cash Flow	6	Schedule D – Verification Between Years	SI03
Exhibit 1 – Enrollment By Product Type for Health Business Only	17	Schedule DA – Part 1	E17
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18	Schedule DA – Verification Between Years	SI10
Exhibit 3 – Health Care Receivables	19	Schedule DB – Part A – Section 1	E18
Exhibit 3A – Health Care Receivables Collected and Accrued	20	Schedule DB – Part A – Section 2	E19
Exhibit 4 – Claims Unpaid and Incentive Pool, Withhold and Bonus	21	Schedule DB – Part A – Verification Between Years	SI11
Exhibit 5 – Amounts Due From Parent, Subsidiaries and Affiliates	22	Schedule DB – Part B – Section 1	E20
Exhibit 6 – Amounts Due To Parent, Subsidiaries and Affiliates	23	Schedule DB – Part B – Section 2	E21
Exhibit 7 – Part 1 – Summary of Transactions With Providers	24	Schedule DB – Part B – Verification Between Years	SI11
Exhibit 7 – Part 2 – Summary of Transactions With Intermediaries	24	Schedule DB – Part C – Section 1	SI12
Exhibit 8 – Furniture, Equipment and Supplies Owned	25	Schedule DB – Part C – Section 2	SI13
Exhibit of Capital Gains (Losses)	15	Schedule DB – Part D – Section 1	E22
Exhibit of Net Investment Income	15	Schedule DB – Part D – Section 2	E23
Exhibit of Nonadmitted Assets	16	Schedule DB – Verification	SI14
Exhibit of Premiums, Enrollment and Utilization (State Page)	30	Schedule DL – Part 1	E24
Five-Year Historical Data	29	Schedule DL – Part 2	E25
General Interrogatories	27	Schedule E – Part 1 – Cash	E26
Jurat Page	1	Schedule E – Part 2 – Cash Equivalents	E27
Liabilities, Capital and Surplus	3	Schedule E – Part 3 – Special Deposits	E28
Notes To Financial Statements	26	Schedule E – Verification Between Years	SI15
Overflow Page For Write-ins	44	Schedule S – Part 1 – Section 2	31
Schedule A – Part 1	E01	Schedule S – Part 2	32
Schedule A – Part 2	E02	Schedule S – Part 3 – Section 2	33
Schedule A – Part 3	E03	Schedule S – Part 4	34
Schedule A – Verification Between Years	SI02	Schedule S – Part 5	35
Schedule B – Part 1	E04	Schedule S – Part 6	36
Schedule B – Part 2	E05	Schedule S – Part 7	37
Schedule B – Part 3	E06	Schedule T – Part 2 – Interstate Compact	39
Schedule B – Verification Between Years	SI02	Schedule T – Premiums and Other Considerations	38
Schedule BA – Part 1	E07	Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule BA – Part 2	E08	Schedule Y – Part 1A – Detail of Insurance Holding Company System	41
Schedule BA – Part 3	E09	Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates	42
Schedule BA – Verification Between Years	SI03	Statement of Revenue and Expenses	4
Schedule D – Part 1	E10	Summary Investment Schedule	SI01
Schedule D – Part 1A – Section 1	SI05	Supplemental Exhibits and Schedules Interrogatories	43
Schedule D – Part 1A – Section 2	SI08	Underwriting and Investment Exhibit – Part 1	8
Schedule D – Part 2 – Section 1	E11	Underwriting and Investment Exhibit – Part 2	9
Schedule D – Part 2 – Section 2	E12	Underwriting and Investment Exhibit – Part 2A	10
Schedule D – Part 3	E13	Underwriting and Investment Exhibit – Part 2B	11
Schedule D – Part 4	E14	Underwriting and Investment Exhibit – Part 2C	12
Schedule D – Part 5	E15	Underwriting and Investment Exhibit – Part 2D	13
Schedule D – Part 6 – Section 1	E16	Underwriting and Investment Exhibit – Part 3	14