

# **ANNUAL STATEMENT**

**OF THE**

**Molina Healthcare of Puerto Rico,  
Inc.**

**Of**

**San Juan**

**in the state of PR**

**to the Insurance Department**

**of the state of Puerto Rico**

For the Year Ended

December 31, 2018

**2018**

RECEIVED OF HEALTH  
COMMISSION: DG DE SEGUROS  
2019 MAR 29 AM 11: 57



# ANNUAL STATEMENT

For the Year Ended December 31, 2018  
of the Condition and Affairs of the

## Molina Healthcare of Puerto Rico, Inc.

NAIC Group Code..... 1531, 1531 (Current Period) (Prior Period) NAIC Company Code..... 15600 Employer's ID Number..... 66-0817946

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

Licensed as Business Type Health Maintenance Organization Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized..... February 28, 2014 Commenced Business..... September 23, 2014

Statutory Home Office 654 Plaza, 654 Munoz Rivera Avenue, Ste 1600 .. San Juan .. PR .. US .. 00918-4123 (Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 654 Plaza, 654 Munoz Rivera Avenue, Ste 1600 .. San Juan .. PR .. US .. 00918-4123 (Street and Number) (City or Town, State, Country and Zip Code) 787-200-3300 (Area Code) (Telephone Number)

Mail Address PO Box 366108 .. San Juan .. PR .. US .. 00936-6108 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 654 Plaza, 654 Munoz Rivera Avenue, Ste 1600 .. San Juan .. PR .. US .. 00918-4123 (Street and Number) (City or Town, State, Country and Zip Code) 787-200-3300 (Area Code) (Telephone Number)

Internet Web Site Address www.molinahealthcare.com

Statutory Statement Contact Eduardo Rene Moscoso Fournier (Name) 888-562-5442-337010 (Area Code) (Telephone Number) (Extension) eduardo.moscoso@molinahealthcare.com (E-Mail Address) 787-999-4575 (Fax Number)

### OFFICERS

Name	Title	Name	Title
1. Carlos A Carrero Ramos	President	2. Eduardo Rene Moscoso Fournier	Chief Financial Officer
3. Jeffrey Don Barlow	Secretary	4. Thomas Lacy Tran #	Vice President

### OTHER

### DIRECTORS OR TRUSTEES

Syed Babar Saghir # Carlos A Carrero Ramos Agustin Fernandez-Cabrero M.D. #



State of..... Puerto Rico  
County of..... San Juan

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 A Carrero Ramos	Eduardo Rene Moscoso Fournier	Jeffrey Don Barlow
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Chief Financial Officer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me  
This 29<sup>th</sup> day of January 2019

in San Juan, PR

notary public 18848

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			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	608,179		608,179	604,828
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 (\$.....108,748,981, Schedule E-Part 1), cash equivalents (\$.....100,000,852, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	208,749,833		208,749,833	154,300,816
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).....	209,358,012	0	209,358,012	154,905,643
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	27,587		27,587	2,113
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	7,758,974		7,758,974	23,589,911
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.....	310,725		310,725	5,743,896
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	34,378		34,378	179,701
21. Furniture and equipment, including health care delivery assets (\$.....0).....	2,646,102	2,646,102	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.....	674,572	674,572	0	
25. Aggregate write-ins for other-than-invested assets.....	2,068,244	2,068,244	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	222,878,594	5,388,918	217,489,676	184,421,264
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	222,878,594	5,388,918	217,489,676	184,421,264

**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. Prepaids, deposits, and other assets.....	2,068,244	2,068,244	0	
2502.....			0	
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).....	2,068,244	2,068,244	0	0

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....0 reinsurance ceded).....	75,755,436		75,755,436	92,155,705
2. Accrued medical incentive pool and bonus amounts.....	13,316,960		13,316,960	7,097,511
3. Unpaid claims adjustment expenses.....	1,224,485		1,224,485	1,538,561
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act.....	4,354,592		4,354,592	
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.....	4,059,630		4,059,630	2,529,989
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....	5,561,235		5,561,235	
10.2 Net deferred tax liability.....			0	
11. Ceded reinsurance premiums payable.....			0	
12. Amounts withheld or retained for the account of others.....	319,268		319,268	601,998
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.....	244,260		244,260	1,578,938
16. Derivatives.....			0	
17. Payable for securities.....			0	
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 \$.....6,151,526 current).....	6,151,526	0	6,151,526	0
24. Total liabilities (Lines 1 to 23).....	110,987,392	0	110,987,392	105,502,702
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	12,500,000
26. Common capital stock.....	XXX	XXX	100	100
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	125,200,690	125,200,690
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	(18,698,506)	(58,782,228)
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	106,502,284	78,918,562
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	217,489,676	184,421,264

**DETAILS OF WRITE-INS**

2301. Amounts due to State.....	6,151,526		6,151,526	
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).....	6,151,526	0	6,151,526	0
2501. 2018 Health insurer fee accrual estimate.....	XXX	XXX		12,500,000
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	12,500,000
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		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months.....	XXX	3,730,931	3,847,836
2. Net premium income (including \$.....0 non-health premium income).....	XXX	715,140,551	731,574,820
3. Change in unearned premium reserves and reserve for rate credits.....	XXX	(4,354,592)	
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	710,793,959	731,574,820
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits.....		278,004,069	247,778,432
10. Other professional services.....		15,972,841	33,755,880
11. Outside referrals.....		9,622,748	2,515,899
12. Emergency room and out-of-area.....		119,630,164	198,409,961
13. Prescription drugs.....		173,937,535	175,456,091
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		17,038,010	14,482,296
16. Subtotal (Lines 9 to 15).....	0	614,205,367	672,398,559
<b>Less:</b>			
17. Net reinsurance recoveries.....			
18. Total hospital and medical (Lines 16 minus 17).....	0	614,205,367	672,398,559
19. Non-health claims (net).....			
20. Claims adjustment expenses, including \$.....21,204,823 cost containment expenses.....		21,743,911	18,464,813
21. General administrative expenses.....		52,197,836	48,830,051
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	688,147,114	739,693,423
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	22,646,845	(8,118,603)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		2,309,866	741,670
26. Net realized capital gains or (losses) less capital gains tax of \$.....0.....			
27. Net investment gains or (losses) (Lines 25 plus 26).....	0	2,309,866	741,670
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	(114,900)	(14,150)
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	24,841,811	(7,391,083)
31. Federal and foreign income taxes incurred.....	XXX	7,377,889	(2,034,657)
32. Net income (loss) (Lines 30 minus 31).....	XXX	17,463,922	(5,356,226)

**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. Fines and penalties.....		(114,900)	(14,150)
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	(114,900)	(14,150)

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period.....	78,918,562	66,393,638
34. Net income or (loss) from Line 32.....	17,463,922	(5,356,226)
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.....		
39. Change in nonadmitted assets.....	10,119,800	17,881,150
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.....		
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.....		
47. Aggregate write-ins for gains or (losses) in surplus.....	.0	.0
48. Net change in capital and surplus (Lines 34 to 47).....	27,583,722	12,524,924
49. Capital and surplus end of reporting period (Line 33 plus 48).....	106,502,284	78,918,562

**DETAILS OF WRITE-INS**

4701. ....		
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	.0	.0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	.0	.0

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	737,131,014	719,057,476
2. Net investment income.....	2,281,041	739,597
3. Miscellaneous income.....		
4. Total (Lines 1 through 3).....	739,412,055	719,796,073
5. Benefit and loss related payments.....	615,588,803	634,868,199
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	71,706,206	64,647,543
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(3,616,517)	8,376,135
10. Total (Lines 5 through 9).....	683,678,492	707,891,877
11. Net cash from operations (Line 4 minus Line 10).....	55,733,563	11,904,196
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....		600,000
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).....	0	600,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....		602,899
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).....	0	602,899
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).....	0	(2,899)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	(1,284,545)	1,880,711
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,284,545)	1,880,711
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	54,449,018	13,782,008
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	154,300,816	140,518,808
19.2 End of year (Line 18 plus Line 19.1).....	208,749,833	154,300,816

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

20.0001		
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**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

	1		2		3		4		5		6		7		8		9		10		
	Total		Comprehensive (Hospital and Medical)		Medicare Supplement	Denial Only	Vision Only	Federal Employees Health Benefits Plans	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health									
1. Net premium income	715,148,551																				
2. Change in unearned premium reserves and reserve for rate credit	(4,354,592)																				
3. Fee-for-service (net of \$.0 medical expenses)	0																				
4. Risk revenue	0																				
5. Aggregate write-ins for other health care related revenues	0																				
6. Aggregate write-ins for other non-health care related revenues	0																				
7. Total revenues (Lines 1 to 6)	710,793,959																				
8. Hospital/medical benefits	278,004,069																				
9. Other professional services	15,972,841																				
10. Outside referrals	9,622,748																				
11. Emergency room and out-of-area	119,630,164																				
12. Prescription drugs	173,937,535																				
13. Aggregate write-ins for other hospital and medical	0																				
14. Incentive pool, withhold adjustments and bonus amounts	17,038,010																				
15. Subtotal (Lines 8 to 14)	614,205,367																				
16. Net reinsurance recoveries	0																				
17. Total hospital and medical (Lines 15 minus 16)	614,205,367																				
18. Non-health claims (net)	0																				
19. Claims adjustment expenses including \$.21,204,823 cost containment expenses	21,743,911																				
20. General administrative expenses	52,197,836																				
21. Increase in reserves for accident and health contracts	0																				
22. Increase in reserve for life contracts	0																				
23. Total underwriting deductions (Lines 17 to 22)	688,147,114																				
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	22,646,845																				
<b>DETAILS OF WRITE-INS</b>																					
0501.	0																				
0502.	0																				
0503.	0																				
0598. Summary of remaining write-ins for Line 5 from overflow page	0																				
0599. Total (Lines 0501 through 0503 plus 0598) (Line 5 above)	0																				
0601.	0																				
0602.	0																				
0603.	0																				
0698. Summary of remaining write-ins for Line 6 from overflow page	0																				
0699. Total (Lines 0601 through 0603 plus 0698) (Line 6 above)	0																				
1301.	0																				
1302.	0																				
1303.	0																				
1398. Summary of remaining write-ins for Line 13 from overflow page	0																				
1399. Total (Lines 1301 through 1303 plus 1398) (Line 13 above)	0																				

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 - PREMIUMS**

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	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 XV/III - Medicare				.0
7. Title XIX - Medicaid	715,397,035		248,484	715,148,551
8. Other health				.0
9. Health subtotal (Lines 1 through 8)	715,397,035	0	248,484	715,148,551
10. Life				.0
11. Property/casualty				.0
12. Totals (Lines 9 to 11)	715,397,035	0	248,484	715,148,551

**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 2 - CLAIMS INCURRED DURING THE YEAR**

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Tier XVIII Medicare	Tier XIX Medicaid	Other Health	Other Non-Health
<b>1. Payments during the year:</b>										
1.1 Direct.....	604,770,242							604,770,242		
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	604,770,242	0	0	0	0	0	0	604,770,242	0	0
<b>2. Paid medical incentive pools and bonuses.....</b>	<b>10,818,561</b>							10,818,561		
<b>3. Claim liability December 31, current year from Part 2A:</b>										
3.1 Direct.....	75,755,436							75,755,436		
3.2 Reinsurance assumed.....	0									
3.3 Reinsurance ceded.....	0									
3.4 Net.....	75,755,436	0	0	0	0	0	0	75,755,436	0	0
<b>4. Claim reserve December 31, current year from Part 2D:</b>										
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
<b>5. Accrued medical incentive pools and bonuses, current year.....</b>	<b>13,316,960</b>							13,316,960		
<b>6. Net healthcare receivables (a).....</b>	<b>(8,797,384)</b>							(8,797,384)		
<b>7. Amounts recoverable from reinsurers December 31, current year.....</b>	<b>0</b>									
<b>8. Claim liability December 31, prior year from Part 2A:</b>										
8.1 Direct.....	92,155,705							92,155,705		
8.2 Reinsurance assumed.....	0									
8.3 Reinsurance ceded.....	0									
8.4 Net.....	92,155,705	0	0	0	0	0	0	92,155,705	0	0
<b>9. Claim reserve December 31, prior year from Part 2D:</b>										
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
<b>10. Accrued medical incentive pools and bonuses, prior year.....</b>	<b>7,097,511</b>							7,097,511		
<b>11. Amounts recoverable from reinsurers December 31, prior year.....</b>	<b>0</b>									
<b>12. Incurred benefits:</b>										
12.1 Direct.....	597,167,357	0	0	0	0	0	0	597,167,357	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.....	597,167,357	0	0	0	0	0	0	597,167,357	0	0
<b>13. Incurred medical incentive pools and bonuses.....</b>	<b>17,038,010</b>							17,038,010		

(a) Excludes 5.....0 loans or advances to providers not yet expensed.

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR**

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Medical and Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
<b>1. Reported in process of adjustment:</b>										
1.1 Direct.....	5,203,634							5,203,634		
1.2 Reinsurance assumed.....	0									
1.3 Reinsurance ceded.....	0									
1.4 Net.....	5,203,634	0	0	0	0	0	0	5,203,634	0	0
<b>2. Incurred but unreported:</b>										
2.1 Direct.....	70,551,602							70,551,602		
2.2 Reinsurance assumed.....	0									
2.3 Reinsurance ceded.....	0									
2.4 Net.....	70,551,602	0	0	0	0	0	0	70,551,602	0	0
<b>3. Amounts withheld from paid claims and capitations:</b>										
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
<b>4. Totals:</b>										
4.1 Direct.....	75,755,436	0	0	0	0	0	0	75,755,436	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.....	75,755,436	0	0	0	0	0	0	75,755,436	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		Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	5 Claims Incurred in Prior Years (Columns 1 + 3)	6	
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	45,589,575	559,180,667	10,085,866	65,669,570	55,675,441	92,155,705	
7. Title XIX - Medicaid					0		
8. Other health	45,589,575	559,180,667	10,085,866	65,669,570	55,675,441	92,155,705	
9. Health subtotal (Lines 1 to 8)		574,572			0	9,471,956	
10. Healthcare receivables (a)							
11. Other non-health	7,097,511	3,721,050		13,316,960	7,097,511	7,097,511	
12. Medical incentive pools and bonus amounts	52,687,086	562,227,145	10,085,866	78,986,530	62,772,952	89,781,260	
13. Totals (Lines 9 - 10 + 11 + 12)							

(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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior					
2. 2014					
3. 2015	XXX	456,154	501,497	501,497	501,497
4. 2016	XXX	XXX	630,424	687,017	687,017
5. 2017	XXX	XXX	XXX	559,863	605,473
6. 2018	XXX	XXX	XXX	XXX	559,181

**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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior					
2. 2014					
3. 2015	XXX	522,555	503,487	503,487	503,487
4. 2016	XXX	XXX	707,594	706,185	706,185
5. 2017	XXX	XXX	XXX	639,969	615,559
6. 2018	XXX	XXX	XXX	XXX	638,168

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

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
1. 2014				0.0	0	0.0	0			0.0
2. 2015	556,823	501,497	13,499	2.7	514,996	92.5	514,996		514,996	92.5
3. 2016	746,652	687,017	17,018	2.5	704,035	94.3	704,035		704,035	94.3
4. 2017	731,882	605,473	18,465	3.0	623,938	85.3	10,086	175	634,199	86.7
5. 2018	711,042	559,181	21,744	3.9	580,925	81.7	78,987	1,049	660,961	93.0

**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**

	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior					
2. 2014	XXX				
3. 2015	XXX	456,154	501,497	501,497	501,497
4. 2016	XXX	XXX	630,424	687,017	687,017
5. 2017	XXX	XXX	XXX	559,883	605,473
6. 2018	XXX	XXX	XXX	XXX	559,181

**SECTION B - INCURRED HEALTH CLAIMS - TITLE XIX - MEDICAID**

	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior					
2. 2014					
3. 2015	XXX	522,555	503,487	503,487	503,487
4. 2016	XXX	XXX	707,594	706,185	706,185
5. 2017	XXX	XXX	XXX	639,969	615,559
6. 2018	XXX	XXX	XXX	XXX	638,168

**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. 2014				0.0		0.0				0.0
2. 2015	556,823	501,497	13,499	2.7	514,996	92.5		514,996	514,996	92.5
3. 2016	746,652	687,017	17,018	2.5	704,035	94.3		704,035	704,035	94.3
4. 2017	731,882	605,473	18,465	3.0	623,938	85.3	10,086	175	634,199	86.7
5. 2018	711,042	559,181	21,744	3.9	580,925	81.7	78,987	1,049	660,961	93.0

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS**

(\$880-0mitted)

**SECTION A - PAID HEALTH CLAIMS - OTHER**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2014	2 2015	3 2016	4 2017	5 2018
1. Prior.....	<b>NONE</b>				
2. 2014.....					
3. 2015.....	XXX				
4. 2016.....	XXX	XXX			
5. 2017.....	XXX	XXX	XXX		
6. 2018.....	XXX	XXX	XXX	XXX	

**SECTION B - INCURRED HEALTH CLAIMS - OTHER**

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 2014	2 2015	3 2016	4 2017	5 2018
1. Prior.....	<b>NONE</b>				
2. 2014.....					
3. 2015.....	XXX				
4. 2016.....	XXX	XXX			
5. 2017.....	XXX	XXX	XXX		
6. 2018.....	XXX	XXX	XXX	XXX	

**SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - OTHER**

Years in Which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claim Payments	Claim Adjustment Expense Payments	Percent (Col. 3/2)	Claim and Claim Adjustment Expense Payments (Col. 5/1)	Percent (Col. 5/1)	Claims Unpaid	Unpaid Claim Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	Percent (Col. 9/1)
1. 2014.....		0		<b>NONE</b>	0	0.0			0	0.0
2. 2015.....		0		0.0	0	0.0			0	0.0
3. 2016.....		0		0.0	0	0.0			0	0.0
4. 2017.....		0		0.0	0	0.0			0	0.0
5. 2018.....		0		0.0	0	0.0			0	0.0

**UNDERWRITING AND INVESTMENT EXHIBIT**

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	0								
2. Additional policy reserves (a).....	0								
3. Reserve for future contingent benefits.....	0								
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income).....	4,354,592							4,354,592	
5. Aggregate write-ins for other policy reserves.....	0								
6. Totals (gross).....	4,354,592	0	0	0	0	0	0	4,354,592	0
7. Reinsurance ceded.....	0								
8. Totals (net) (Page 3, Line 4).....	4,354,592	0	0	0	0	0	0	4,354,592	0
9. Present value of amounts not yet due on claims.....	0								
10. Reserve for future contingent benefits.....	0								
11. Aggregate write-ins for other claim reserves.....	0								
12. Totals (gross).....	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded.....	0								
14. Totals (net) (Page 3, Line 7).....	0	0	0	0	0	0	0	0	0

**DETAILS OF WRITE-INS**

0501. ....	0								
0502. ....	0								
0503. ....	0								
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0							0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0	0	0	0	0	0	0	0
1101. ....	0								
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).....	0	0	0	0	0	0	0	0	0

(a) Includes \$.....0 premium deficiency reserve.

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building).....	1,523,304		3,756,223		5,279,527
2. Salaries, wages and other benefits.....	12,764,725	233,528	19,917,725		32,915,978
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....					0
4. Legal fees and expenses.....	13,211		297,573		310,784
5. Certifications and accreditation fees.....	686		244		930
6. Auditing, actuarial and other consulting services.....	1,523,923	5,131	2,885,350		4,414,404
7. Traveling expenses.....	130,817	199	138,255		269,271
8. Marketing and advertising.....	663,848		101,054		764,902
9. Postage, express and telephone.....	420,734	235	1,768,281		2,189,250
10. Printing and office supplies.....	486,264	650	1,322,829		1,809,743
11. Occupancy depreciation and amortization.....			1,514,227		1,514,227
12. Equipment.....	145	18	237,491		237,654
13. Cost or depreciation of EDP equipment and software.....	31,245	145	628,016		659,406
14. Outsourced services including EDP, claims, and other services.....	2,576,335	281,098	1,148,889		4,006,322
15. Boards, bureaus and association fees.....	4,501		138,513		143,014
16. Insurance, except on real estate.....	8,141		927,169		935,310
17. Collection and bank service charges.....	31		71,592	851	72,474
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....			129,651		129,651
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.....	8,152		14,673,271		14,681,423
23.4 Payroll taxes.....	1,048,761	18,085	1,452,632		2,519,478
23.5 Other (excluding federal income and real estate taxes).....			161,758		161,758
24. Investment expenses not included elsewhere.....				3,870	3,870
25. Aggregate write-ins for expenses.....	0	0	927,093	0	927,093
26. Total expenses incurred (Lines 1 to 25).....	21,204,823	539,089	52,197,836	4,721	(a).....73,946,469
27. Less expenses unpaid December 31, current year.....		1,224,485	4,059,630		5,284,115
28. Add expenses unpaid December 31, prior year.....		1,538,561	2,529,989		4,068,550
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).....	21,204,823	853,165	50,668,195	4,721	72,730,904

**DETAILS OF WRITE-INS**

2501. Charitable contributions.....			215,000		215,000
2502. Borrowing costs.....			529,068		529,068
2503. Other administrative expenses.....			183,025		183,025
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	927,093	0	927,093

(a) Includes management fees of \$.....7,527,162 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).....7,926	.....7,926
1.1 Bonds exempt from U.S. tax.....	(a).....	
1.2 Other bonds (unaffiliated).....	(a).....	
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).....2,281,188	.....2,306,661
7. Derivative instruments.....	(f).....	
8. Other invested assets.....		
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....2,289,114	.....2,314,587
11. Investment expenses.....		(g).....4,721
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).....		.....4,721
17. Net investment income (Line 10 minus Line 16).....		.....2,309,866

#### DETAILS OF WRITE-INS

0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	0	0
1501. ....		
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 \$.....3,351 accrual of discount less \$.....0 amortization of premium and less \$.....0 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 \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....4,721 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.....			0		
1.1 Bonds exempt from U.S. tax.....			0		
1.2 Other bonds (unaffiliated).....			0		
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.....			0		
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).....	0	0	0	0	0

NONE

#### 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.....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	.0	.0
13. Title plants (for Title insurers only).....			.0
14. Investment income due and accrued.....			.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....			.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.0
15.3 Accrued retrospective premiums 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.....			.0
19. Guaranty funds receivable or on deposit.....			.0
20. Electronic data processing equipment and software.....		453,025	453,025
21. Furniture and equipment, including health care delivery assets.....	2,646,102	3,145,221	499,119
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.....	674,572	9,471,956	8,797,384
25. Aggregate write-ins for other-than-invested assets.....	2,068,244	2,438,516	370,272
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	5,388,918	15,508,718	10,119,800
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	5,388,918	15,508,718	10,119,800
<b>DETAILS OF WRITE-INS</b>			
1101.....			.0
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).....	.0	.0	.0
2501. Prepaids, deposits, and other assets.....	2,068,244	2,438,516	370,272
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).....	2,068,244	2,438,516	370,272

**EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY**

Source of Enrollment	Total Members at End of					
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	6 Current Year Member Months
1. Health maintenance organizations.....	314,263	316,343	325,822	319,901	252,456	3,730,931
2. Provider service organizations.....						
3. Preferred provider organizations.....						
4. Point of service.....						
5. Indemnity only.....	0	0	0	0	0	0
6. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
7. Total.....	314,263	316,343	325,822	319,901	252,456	3,730,931

**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

**EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID**

1	Name of Debtor	2	3	4	5	6	7
		1-30 Days	31-60 Days	61-90 Days	Over 90 Days	Nonadmitted	Admitted
<b>A&amp;H Premiums Due and Unpaid</b>							
0499999- Premiums due and unpaid from Medicaid entities		1,576,605	1,926,044	619,832	3,636,493		7,758,974
0599999- Accident and health premiums due and unpaid (Page 2, Line 15)		1,576,605	1,926,044	619,832	3,636,493	0	7,758,974

**EXHIBIT 3 - HEALTH CARE RECEIVABLES**

1	2	3	4	5	6	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
<b>Claim Overpayment Receivables</b>						
0299998 - Claim Overpayment Receivables Not Listed Individually	674,572				674,572	0
0299999 - Total Claim Overpayment Receivables	674,572	0	0	0	674,572	0
0799999 - Gross Health Care Receivables	674,572	0	0	0	674,572	0

**EXHIBIT 3A - ANALYSIS OF HEALTH CARE RECEIVABLES COLLECTED AND ACCRUED**

Type of Health Care Receivable	Health Care Receivables Collected During the Year			Health Care Receivables Accrued as of December 31 of Current Year		Health Care Receivables in Prior Years (Columns 1 + 3)	Estimated Health Care Receivables Accrued as of December 31 of Prior Year
	On Amounts Accrued Prior to January 1 of Current Year	On Amounts Accrued During the Year	On Amounts Accrued as of December 31 of Prior Year	On Amounts Accrued During the Year	On Amounts Accrued as of December 31 of Prior Year		
1. Pharmaceutical rebate receivables						0	
2. Claim overpayment receivables	11,609			674,572		11,609	775,500
3. Loans and advances to providers						0	
4. Capitation arrangement receivables						0	
5. Risk sharing receivables	8,696,456					8,696,456	8,696,456
6. Other health care receivables						0	
7. Totals (Lines 1 through 6)	8,708,065	0	0	674,572	0	8,708,065	9,471,956

Note that the accrued amounts in Columns 3, 4, and 6 are the total health care receivables, not just the admitted portion.

**EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**

**Aging Analysis of Unpaid Claims**

Account	1 1 - 30 Days	2 31 - 60 Days	3 61 - 90 Days	4 91 - 120 Days	5 Over 120 Days	6 Total
<b>Claims Unpaid (Reported)</b>						
MC - 21 Corporation	3,180,380					3,180,380
0199999 Individually listed claims unpaid	3,180,380					3,180,380
0299999 Aggregate accounts not individually listed - uncovered	977,556					977,556
0499999 Subtotals	4,157,936	936,668			109,230	5,203,834
0599999 Unreported claim and other claim reserves		936,668				936,668
0799999 Total claims unpaid						70,551,602
0899999 Accrued medical incentive pool and bonus amounts						75,755,436
						13,316,960

**EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES**

1	2	3	4	5	6	7	8
Name of Affiliate	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Current	Non-Current

**NONE**

Statement as of December 31, 2018 of the **Molina Healthcare of Puerto Rico, Inc.**

**EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES**

1	2	3	4	5
Affiliate	Description	Amount	Current	Non-Current
<b>Amounts Due To Parent, Subsidiaries and Affiliates</b>				
Molina Healthcare, Inc.	Misc Charges	244,260	244,260	
0199999 Individually listed payables		244,260	244,260	0
0399999 Total gross payables		244,260	244,260	0

**EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS**

	1	2	3	4	5	6
	Direct Medical Expense Payment	Column 1 as a % of Total Payment	Total Members Covered	Column 3 as a % of Total Members	Column 1 Expenses Paid to Affiliated Providers	Column 1 Expenses Paid to Non-Affiliated Providers
<b>Capitation Payments:</b>						
1. Medical groups	75,892,371	12.5	252,456	100.0		75,892,371
2. Intermediaries	0	0.0				
3. All other providers	20,387,403	3.4	252,456	100.0		20,387,403
4. Total capitation payments	96,279,774	15.9	504,912	200.0	0	96,279,774
<b>Other Payments:</b>						
5. Fee-for-service	27,255,089	4.5	XXX	XXX		27,255,089
6. Contractual fee payments	481,235,379	79.6	XXX	XXX		481,235,379
7. Bonus/withhold arrangements - fee-for-service	0	0.0	XXX	XXX		
8. Bonus/withhold arrangements - contractual fee payments	0	0.0	XXX	XXX		
9. Non-contingent salaries	0	0.0	XXX	XXX		
10. Aggregate cost arrangements	0	0.0	XXX	XXX		
11. All other payments	0	0.0	XXX	XXX		
12. Total other payments	508,490,468	84.1	XXX	XXX	0	508,490,468
13. Total (Line 4 plus Line 12)	604,770,242	100.0	XXX	XXX	0	604,770,242

**EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES**

1	2	3	4	5	6
NAIC Code	Name of Intermediary	Capitation Paid	Average Monthly Capitation	Intermediary's Total Adjusted Capital	Intermediary's Authorized Control Level RBC

**NONE**

**EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED**

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment.....	1,350,166		669,970	680,196	680,196	.0
2. Medical furniture, equipment and fixtures.....						.0
3. Pharmaceuticals and surgical supplies.....						.0
4. Durable medical equipment.....						.0
5. Other property and equipment.....	3,031,422		1,065,516	1,965,906	1,965,906	.0
6. Total.....	4,381,588	.0	1,735,486	2,646,102	2,646,102	.0

## NOTES TO FINANCIAL STATEMENTS

### Note 1 – Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

Molina Healthcare of Puerto Rico, Inc. (the Plan) was incorporated under the laws of the Commonwealth of Puerto Rico (the Commonwealth) on February 28, 2014. The Plan is a wholly owned subsidiary of Molina Healthcare, Inc. (Molina), a multi-state managed care organization that arranges for the delivery of health care services to persons eligible for Medicaid, Medicare, the Health Insurance Marketplace, and other government-sponsored health care programs for low-income families and individuals.

The Plan is a health maintenance organization (HMO), licensed in the Commonwealth, that provides comprehensive health care services to Medicaid enrollees under contracts with the Puerto Rico Health Insurance Administration (ASES by its Spanish acronym). ASES may terminate the Medicaid contract immediately or with 30 calendar day written notice depending on the reason for termination. The Plan may terminate the Medicaid contract either immediately or with either 15 or 45 calendar days' notice depending on the reason for termination. Such contracts represent the majority of the Plan's source of premium income for the years ended December 31, 2018 and 2017.

The Plan contracts with independent physician associations, hospitals and other providers to provide medical services to its members. As an HMO, the Plan is at risk for all covered outpatient and inpatient claims incurred by its beneficiaries.

The financial statements of the Plan are presented on the basis of accounting practices prescribed or permitted by the Office of the Commissioner of Insurance of the Commonwealth of Puerto Rico (OCS).

The OCS recognizes only statutory accounting practices prescribed or permitted by the Commonwealth for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Puerto Rico insurance law. The National Association of Insurance Commissioners' *Accounting Practices and Procedures Manual* (NAIC SAP or the Manual) has been adopted as a component of prescribed or permitted practices by the state of Commonwealth.

The OCS has adopted certain prescribed accounting practices that differ from those found in the NAIC SAP. Specifically,

- Limitations on investments that are outside the scope of the Manual.
- Non-admits certain receivables carried by HMOs.
- Minimum reserving standards are different from the Manual.
- Requires the change in the contingency reserve to be recorded through underwriting income rather than as a direct charge/credit to surplus.

A reconciliation of the Plan's net income and capital and surplus between NAIC SAP and practices prescribed by the Department as of December 31, 2018 and 2017 is shown below:

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 17,463,922	\$ (5,356,226)
(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	\$ 17,463,922	\$ (5,356,226)
<b>SURPLUS</b>					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 106,502,284	\$ 78,918,562
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
Electronic data processing equipment and software (State allows partial admissibility)	16R	2	20	\$ 34,378	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	\$ 106,467,906	\$ 78,918,562

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

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

#### C. Accounting Policy

The Plan applies the following accounting policies:

- (1) Basis for Short-Term Investments: Short-term investments consist primarily of U.S. treasury notes and investments in corporate debt securities with maturity dates of greater than three months but less than one year at the time of acquisition. The basis of short-term investments is the same as for bonds as stated in Note C(2) below.
- (2) Basis for Bonds and Amortization Schedule: Bonds include U.S. government and other debt securities with maturity dates of greater than one year at the time of purchase. Bonds not backed by other loans are principally stated at amortized cost using the scientific method. Bonds with NAIC designations of one or two are stated at amortized cost. Bonds with NAIC designations of three or higher are stated at the lower of amortized cost or fair value. Amortization of bond premium or accretion of discount is computed using the scientific (constant-yield) interest method. Realized capital gains and losses are determined using the specific-identification method and were not significant for the years ended December 31, 2018 and 2017. There were no significant unrealized gains or losses on investments, and the Plan recognized no losses from other-than-temporary impairments for the years ended December 31, 2018 and 2017.
- (3) Investments in common stock: None.
- (4) Investments in preferred stock: None.

**NOTES TO FINANCIAL STATEMENTS**

- (5) Investments in mortgage loans: None.
- (6) Basis for Loan-Backed Securities and Adjustment Methodology: None.
- (7) Investments in subsidiaries, controlled or affiliated companies: None.
- (8) Investments in joint ventures, partnerships and limited liability companies: None.
- (9) Investments in derivatives: None.
- (10) Anticipated Investment Income Used in Premium Deficiency Calculation: The Plan assesses the profitability of its medical care policies to identify groups of contracts where current operating results or forecasts include probable future losses. The Plan anticipates investment income as a factor in the premium deficiency calculation, in accordance with Statement of Statutory Accounting Principles (SSAP) No. 54, *Individual and Group Accident and Health Contracts*. If anticipated future variable costs exceed anticipated future premiums and investment income, a premium deficiency reserve is recognized. Refer to Note 30, "Premium Deficiency Reserves" for further information.
- (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for Accident & Health Contracts: Claims unpaid and unpaid claims adjustment expenses represent management's best estimate of the ultimate net cost of all reported and unreported claims incurred through December 31. Claims unpaid are based on actual historical experience and estimates of medical expenses incurred but not paid (IBNP). The Plan employs its own actuaries to estimate IBNP monthly based on a number of factors, including prior claims experience, health care service utilization data, cost trends, product mix, seasonality, prior authorization of medical services, and other factors. The Plan also considers uncertainties related to fluctuations in provider billing patterns, claims payment patterns, membership, and medical cost trends. The Plan continually reviews and updates the estimation methods and the resulting reserves. Any adjustments to reserves are reflected in current operations. Many of the Plan's medical contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of various services. Such differing interpretations may not come to light until a substantial period of time has passed following the contract implementation, leading to potential adjustment of some costs in the period in which they are first recorded. The Plan believes that its process for estimating IBNP is adequate, but all estimates are subject to uncertainties. Any deficiency in the Plan's estimates of IBNP would negatively affect its results of operations. Refer to Note 25, "Change in Incurred Losses and Loss Adjustment Expenses," for further information.
- (12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period:

The Plan's electronic data processing (EDP) equipment and software is reported at cost, less accumulated depreciation. EDP equipment and software is depreciated using the straight-line method over the lesser of its useful life or three years. Depreciation expense related to EDP equipment and operating system software totaled \$635,760 and \$1,397,859 for the years ended December 31, 2018 and 2017, respectively. EDP equipment and software consisted of the following at December 31:

	2018	2017
Electronic data process equipment	\$ 1,382,571	\$ 1,345,159
Software	2,848,421	2,848,421
Accumulated depreciation	(4,196,614)	(3,560,854)
Net	\$ 34,378	\$ 632,726

Furniture and equipment and leasehold improvements, which are non-admitted, are generally depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense related to furniture and equipment and leasehold improvements totaled \$499,119 and \$427,477 for the years ended December 2018 and 2017, respectively.

- (13) Method Used to Estimate Pharmaceutical Rebate Receivables: Amounts receivable for pharmaceutical rebates are estimated based upon, historical and current utilization of prescription drugs and contract terms. Income from pharmaceutical rebates is reported as a reduction of hospital and medical expenses in the statutory basis statements of revenues and expenses. The Plan admits estimated pharmaceutical rebate receivables relating to the three months immediately preceding the reporting date in accordance with SSAP No. 84, *Certain Health Care Receivables and Receivables Under Government Insured Plans*. Refer to Note 28, "Health Care Receivables" for further information.

The Plan has also deemed the following to be significant accounting policies and/or differences between statutory practices and accounting principles generally accepted in the United States of America (GAAP):

**Cash and Invested Assets**

Cash and cash equivalents are defined as cash and short-term highly liquid investments that are both readily convertible into known amounts of cash and so near maturity that they represent insignificant risk of changes in value because of changes in interest rates. Cash overdraft balances are recorded as a reduction to cash, whereas under GAAP cash overdraft balances would be classified as liabilities. Only investments with original maturities of three months or less when purchased qualify under this definition with the exception of money market mutual funds registered under the Investment Company Act of 1940 (the Act) and regulated under rule 2a-7 of the Act as described in SSAP 2R, *Cash, Cash Equivalents, Drafts and Short-Term Investments*. Under GAAP, the corresponding caption of cash, cash equivalents, and short-term investments include cash balances and investments that will mature in one year or less from the balance sheet date.

Investments in bonds are reported at amortized cost or fair value based on their NAIC designation. Under GAAP, investments in bonds are grouped into three separate categories for accounting and reporting purposes: available-for-sale securities, held-to-maturity securities, and trading securities. Available-for-sale securities are recorded at fair value and unrealized gains and losses, if any, are recorded in stockholders' equity as other comprehensive income, net of applicable income taxes. Held-to-maturity securities are recorded at amortized cost, which approximates fair value, and unrealized holding gains or losses are not generally recognized. Realized gains and losses and unrealized losses judged to be other than temporary with respect to available-for-sale and held-to-maturity securities are included in the determination of net income. Trading securities are recorded at fair value, and holding gains and losses are recognized in net income.

**Premiums Due and Unpaid**

Premiums due and unpaid at December 31, 2018 and 2017, consist primarily of amounts due from the Commonwealth. Receivables are stated at net realizable value based on management's judgment of the ultimate collectability of the accounts. Collection trends are monitored and any adjustments required are reflected in current earnings. All premiums receivable balances outstanding greater than 90 days due, with the exception of premiums due from governmental agencies, are non-admitted in accordance with NAIC SAP.

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**NOTES TO FINANCIAL STATEMENTS**

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**Net Deferred Tax Assets or Liabilities**

The Plan follows the guidance of SSAP No. 101, *Income Taxes*, for deferred income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their amounts reported on the financial statements, using statutory rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized as a change in surplus in the period that includes the enactment date. SSAP No. 101 includes a valuation allowance criterion whereby only gross deferred tax assets that are more likely than not (defined as a likelihood of more than 50%) to be realized are potentially admissible, subject to certain limitations and admissibility tests. Under GAAP, a deferred tax asset is recorded for the amount of gross deferred tax assets expected to be realized in future years, and a valuation allowance is established for deferred tax assets not realizable.

The Plan recognizes the financial statement benefit of a tax position after determining that the relevant tax authority would more likely than not sustain the position following an audit, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit to be recognized is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. Interest and penalties, if incurred, are recognized in the statutory basis statements of revenues and expenses as federal income tax expense. The Plan has not recognized any interest, penalties or income tax contingencies for the years ended December 31, 2018 and 2017.

**Receivables from or Amounts Due to Parents, Subsidiaries and Affiliates**

The Plan has various transactions with related parties. The Plan reports any unsettled amounts due as receivables from parent, subsidiaries and affiliates and unsettled amounts owed as amounts due to parent, subsidiaries and affiliates. Refer to Note 10, "Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties" for further information.

**Net Premium Income and Change in Reserve for Rate Credits**

The Plan recognizes premiums from members as income in the period for which health plan coverage relates. Premiums collected in advance of a coverage period are recorded as premiums received in advance. Premium revenue is fixed in advance of the periods covered and, except as described below and in Retrospectively Rated Contracts and Contracts Subject to Redetermination, is not generally subject to significant accounting estimates.

Quality incentive premiums: Under the Plan's contract with ASES, 2% of Medicaid premiums are withheld and paid to the Plan subject to certain performance bonus measures being met.

Profit Sharing: The Plan's Medicaid contract with ASES contains a gain-sharing provision under which the Plan refunds amounts to ASES if the Plan generates a profit in excess of 2.5%. This provision is applicable through October 31, 2018. After October 31, 2018, the gain sharing provision will be replaced by a minimum medical loss ratio requirement.

**Hospital and Medical Expenses**

Medical care costs include primarily fee-for-services expenses. Nearly all hospital services and the majority of the Plan's primary care and physician specialist services are paid on a fee-for-service basis. Under fee-for-service arrangements, the Plan retains the financial responsibility for medical care provided and incurs costs based on actual utilization of services. Such expenses are recorded in the period in which the related services are dispensed. Medical care costs include amounts that have been paid by the Plan through the reporting date, as well as estimated liabilities for medical care costs incurred but not paid by the Plan as of the reporting date. See below for further information.

The Plan has also entered into agreements to pay a fixed capitated amount per member per month with certain providers. These payments are expensed in the period the providers are obligated to provide the service.

The Plan has contracts with medical provider organizations that require incentive payments if certain provisions of the contracts are met, and it records estimates for such incentive payments.

**Reinsurance**

The Plan has an excess risk reinsurance agreement with a non-affiliated company to limit its risk of catastrophic losses and its exposure to large claims by individuals with chronic or high cost conditions. The Plan maintains medical claims reinsurance with a deductible of \$1,300,000 for Medicaid. The reinsurance pays 90% of losses in excess of the deductible. The annual limit for Medicaid is \$2,000,000 per member per year. Reinsurance expense is reported as a reduction of net premium income, and amounted to approximately \$248,484 and \$307,425 for the years ended December 31, 2018 and 2017, respectively. Reinsurance recoveries not received as of year-end are recorded as either amounts recoverable from reinsurers or a reduction to claims unpaid in the statutory basis statements of admitted assets, liabilities, capital and surplus.

Reinsurance contracts do not relieve the Plan from its obligations to subscribers. The Plan remains liable to its subscribers for the portion reinsured to the extent that the reinsurance company does not meet the obligations assumed under the reinsurance contract.

**Concentrations**

The Plan has cash and invested assets deposited in financial institutions in which the balances exceed the Federal Deposit Insurance Corporation insured limit. The Plan has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk. The Plan's investments and a portion of its cash are managed by professional portfolio managers operating under documented investment guidelines.

Concentration of credit risk with respect to receivables is limited because the Plan's primary payor is the Commonwealth.

**Risks and Uncertainties**

The Plan's sole Medicaid customer is ASES. The loss of its contract with ASES would have a material adverse effect on the Plan's financial position, results of operations and cash flows. The Plan's ability to arrange for the provision of medical services to its members is dependent upon its ability to develop and maintain adequate provider networks. The inability to develop or maintain such networks could, in certain circumstances, have a material adverse effect on the Plan's financial position, results of operations or cash flows.

The Plan's profitability depends in large part on accurately predicting and effectively managing medical care costs. Management continually reviews the Plan's premium and benefit structure as well as its underlying claims experience and revised actuarial data. However, several factors could adversely affect medical care costs. These factors, which include changes in health care practices, inflation, new technologies, major epidemics, natural disasters and malpractice litigation, are beyond the Plan's control and could adversely affect its ability to accurately predict and effectively control medical care costs. Costs in excess of those anticipated could have a material adverse effect on the Plan's financial condition, results of operations or cash flows.

**NOTES TO FINANCIAL STATEMENTS**

The Plan is subject to thorough and extensive regulations by multiple state and federal agencies. Its failure to comply with various regulations and requirements could limit the Plan's revenue or increase costs. In certain circumstances, a failure to comply with regulations or the cost incurred in complying with regulations could have a material adverse effect on the Plan's financial position, results of operations or cash flows.

**Cash Flow**

The statutory basis statements of cash flow reconcile cash, cash equivalents, and short-term investments with maturity dates of one year or less at the time of acquisition; whereas under GAAP, the statements of cash flow reconcile the corresponding captions of cash and cash equivalents with maturities of three months or less. In addition, there are classification differences within the presentation of the cash flow categories between GAAP and statutory reporting.

**Comprehensive Income**

The presentation of the statutory basis statements of admitted assets, liabilities, capital and surplus is not in conformity with U.S. GAAP with respect to the reporting of other comprehensive income.

**Minimum Capital and Surplus**

Section 3.090 of the Puerto Rico Statutes requires that the Plan to maintain a minimum capital and surplus \$45,889,538. At December 31, 2018 and 2017, the Plan was in compliance with the minimum capital and surplus requirement.

The NAIC adopted Risk Based Capital (RBC) standards to measure the minimum amount of capital appropriate for a managed care organization to support its overall business operations. The Commonwealth has passed legislation to adopt RBC. At December 31, 2018 and 2017, the Plan was in compliance with the minimum RBC requirement.

**Recent Accounting Pronouncements**

Recent accounting pronouncements issued by the NAIC did not have, nor does the Plan expect such pronouncements to have, a significant impact to the Plan's present or future financial statements.

**D. Going Concern**

The Plan is not aware of any relevant conditions or events that raise substantial doubt about its abilities to continue as a going concern.

**Note 2 – Accounting Changes and Correction of Errors**

There were no accounting changes or corrections of errors during the year ended December 31, 2018.

**Note 3 – Business Combinations and Goodwill**

None.

**Note 4 – Discontinued Operations**

None.

**Note 5 – Investments**

	12/31/2018			Fair value
	Cost or amortized cost	Unrealized gains	Unrealized losses	
Open Depositories	\$ 108,748,981	\$ -	\$ -	\$ 108,748,981
U.S. Government	608,179	-	3,986	604,193
Other Money Market Mutual Fund	100,000,852	-	-	100,000,852
<b>Totals</b>	<b>\$ 209,358,012</b>	<b>\$ -</b>	<b>\$ 3,986</b>	<b>\$ 209,354,026</b>

	12/31/2017			Fair value
	Cost or amortized cost	Unrealized gains	Unrealized losses	
Open Depositories	\$ 154,299,975	\$ -	\$ -	\$ 154,299,975
U.S. Government	604,827	-	5,063	599,764
Exempt Money Market Mutual Fund	840	-	-	840
<b>Totals</b>	<b>\$ 154,905,642</b>	<b>\$ -</b>	<b>\$ 5,063</b>	<b>\$ 154,900,579</b>

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None.
- B. Debt Restructuring: None.
- C. Reverse Mortgages: None.
- D. Loan-Backed Securities: None.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions: None.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None.
- H. Repurchase Agreements Transactions Accounted for as a Sale: None.

**NOTES TO FINANCIAL STATEMENTS**

- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None.
- J. Real Estate: None.
- K. Low-Income Housing Tax Credits (LIHTC): None.
- 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	5,113,016	5,108,614	4,402	-	5,113,016	2.3%	2.4%
k. On deposit with other regulatory bodies	-	-	-	-	-	%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	%	%
m. Pledged as collateral not captured in other categories	5,000,000	5,000,000	-	-	5,000,000	2.2%	2.3%
n. Other restricted assets	-	-	-	-	-	%	%
<b>Total Restricted Assets</b>	<b>\$ 10,113,016</b>	<b>\$ 10,108,614</b>	<b>\$ 4,402</b>	<b>\$ -</b>	<b>\$ 10,113,016</b>	<b>4.5%</b>	<b>4.6%</b>

- (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 (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

	1 Total Gross (Admitted & Nonadmitted) Restricted from Current Year	2 Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	3 Increase (Decrease) (1 minus 2)	4 Total Current Year Admitted Restricted	5 Gross (Admitted & Nonadmitted) Restricted to Total Assets	6 Admitted Restricted to Total Admitted Assets
ACH facility collateral	\$ 5,000,000	\$ 5,000,000	\$ -	\$ 5,000,000	2.2%	2.3%
<b>Total (c)</b>	<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ -</b>	<b>\$ 5,000,000</b>	<b>2.2%</b>	<b>2.3%</b>

- (a) Total Line for Columns 1 through 3 should equal 5H(1)m Columns 1 through 3 respectively and Total Line for Column 4 should equal 5H(1)m Column 5.

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate): None.
- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements: None.

- M. Working Capital Finance Investments: None.
- N. Offsetting and Netting of Assets and Liabilities: None.
- O. Structured Notes: None.
- P. 5G Securities: None.
- Q. Short Sales: None.
- R. Prepayment Penalty and Acceleration Fees: None.

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

None.

**Note 7 – Investment Income**

The Plan had no investment income that was excluded in 2018 or 2017. All of the Plan's investments and the income derived from such investments meet the criteria for admitted receivables.

**Note 8 – Derivative Instruments**

None.

**NOTES TO FINANCIAL STATEMENTS**

**Note 9 – Income Taxes**

**A. Deferred Tax Assets/(Liabilities)**

**1. Components of Net Deferred Tax Asset/(Liability)**

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 7,720,854	\$ -	\$ 7,720,854	\$ 18,667,098	\$ -	\$ 18,667,098	\$ (10,946,244)	\$ -	\$ (10,946,244)
b. Statutory valuation allowance adjustment	7,720,854	-	7,720,854	18,667,098	-	18,667,098	(10,946,244)	-	(10,946,244)
c. Adjusted gross deferred tax assets (1a-1b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d. Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Deferred tax liabilities	-	-	-	-	-	-	-	-	-
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**2. Admission Calculation Components SSAP No. 101, Income Taxes**

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	-	-	-	-	-	-	-	-	-
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	-	-	-	-	-	-	-	-	-
2. Adjusted gross deferred tax assets allowed per limitation threshold	-	-	31,950,685	-	-	23,621,658	-	-	8,329,027
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	-	-	-	-	-	-	-	-	-
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**3. Other Admissibility Criteria**

	2018	2017
a. Ratio percentage used to determine recovery period and threshold limitation amount	463.7%	327.2%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 106,502,284	\$ 78,918,562

## NOTES TO FINANCIAL STATEMENTS

## 4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	2018		2017		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized: None.

C. Current and Deferred Income Taxes

## 1. Current Income Tax

	1 2018	2 2017	3 (Col 1-2) Change
a. Federal	\$ 8,403,232	\$ -	\$ 8,403,232
b. Foreign	\$ 349,429	\$ (2,216,992)	\$ 2,566,421
c. Subtotal	\$ 8,752,661	\$ (2,216,992)	\$ 10,969,653
d. Federal income tax on net capital gains	\$ -	\$ -	\$ -
e. Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
f. Other	\$ (1,374,772)	\$ 182,135	\$ (1,556,907)
g. Federal and Foreign income taxes incurred	\$ 7,377,889	\$ (2,034,857)	\$ 9,412,746

## 2. Deferred Tax Assets

	1 2018	2 2017	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 826,823	\$ 869,599	\$ (42,776)
2. Unearned premium reserve	-	-	-
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed assets	3,849,501	4,302,754	(453,253)
8. Compensation and benefits accrual	544,459	105,537	438,922
9. Pension accrual	-	-	-
10. Receivables - nonadmitted	33,337	9,715,298	(9,681,961)
11. Net operating loss carry-forward	-	1,137,756	(1,137,756)
12. Tax credit carry-forward	790,016	581,908	208,108
13. Other (items <=5% and >5% of total ordinary tax assets)	1,676,718	1,954,246	(277,528)
Other (items listed individually >5% of total ordinary tax assets)			
Other deposits	1,143,875	1,143,875	-
99. Subtotal	7,720,854	18,667,098	(10,946,244)
b. Statutory valuation allowance adjustment	7,720,854	18,667,098	(10,946,244)
c. Nonadmitted	-	-	-
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	-	-	-
e. Capital:			
1. Investments	\$ -	\$ -	\$ -
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (items <=5% and >5% of total capital tax assets)	-	-	-
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	\$ -	\$ -	\$ -

**NOTES TO FINANCIAL STATEMENTS**

f. Statutory valuation allowance adjustment	-	-	-
g. Nonadmitted	-	-	-
h. Admitted capital deferred tax assets (2e99-2f-2g)	-	-	-
i. Admitted deferred tax assets (2d+2h)	\$ -	\$ -	\$ -

## 3. Deferred Tax Liabilities

	1	2	3
	2018	2017	(Col 1-2) Change
a. Ordinary:			
1. Investments	\$ -	\$ -	\$ -
2. Fixed assets	-	-	-
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other (items <=5% and >5% of total ordinary tax liabilities)	-	-	-
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	-	-	-
b. Capital:			
1. Investments	-	-	-
2. Real estate	-	-	-
3. Other (Items <=5% and >5% of total capital tax liabilities)	-	-	-
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	-	-	-
c. Deferred tax liabilities (3a99+3b99)	\$ -	\$ -	\$ -
4. Net Deferred Tax Assets (2i - 3c)	\$ -	\$ -	\$ -

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the change in nonadmitted assets is reported separately from the change in deferred income taxes in the surplus section of the Annual Statement):

	12/31/2018	12/31/2017	Change
Total deferred tax assets	\$ 7,720,854	\$ 18,667,098	\$ (10,946,244)
Statutory valuation allowance	(7,720,854)	(18,667,098)	10,946,244
Total deferred tax liabilities	-	-	-
Net deferred tax asset (liability)	\$ -	\$ -	\$ -
Tax effect of unrealized (gains)/losses			-
Change in net deferred income tax assets - increase (decrease)			\$ -

The Tax Cuts and Jobs Act (TCJA) was enacted on December 22, 2017. The TCJA, in part, reduced the U.S. federal corporate tax rate from 35% to 21% effective January 1, 2018. The TCJA's change in the federal rate required that the Plan remeasure deferred tax assets and liabilities based on the rates at which they are expected to reverse in the future, which is generally the new 21% federal corporate tax rate. As of December 31, 2017, the Plan had not completed its accounting for all of the enactment-date income tax effects of the TCJA for the remeasurement of deferred tax assets and liabilities and recorded a provisional amount of \$4.9 million. Upon further analysis of certain aspects of the TCJA and refinement of calculations during the 12 months ended December 31, 2018, the Plan adjusted the provisional amount downward by \$564,000, which is included as a component of income tax expense from continuing operations. The Plan has now completed its accounting for all of the enactment-date income tax effects of the TCJA.

The Plan is dually organized in both Puerto Rico and state of Nevada. The Plan files a standalone Puerto Rico income tax return which is considered its domestic or federal tax return. Additionally, the Plan is included in its parent's consolidated U.S. federal income tax return which is considered the Plan's foreign income tax return.

## D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate:

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

	Tax Effect	Effective Tax Rate (%)
Taxes on income at statutory tax rate	\$ 9,688,306	39.00%
Changes in nonadmitted assets	6,071,880	24.45%
Statutory valuation allowance	(10,946,244)	-44.06%
Remeasurement of deferred tax assets	(564,624)	-2.27%
Related party expenses	2,061,772	8.30%
Foreign income (loss)	5,216,780	21.00%
Tax credits	(7,427,013)	-29.90%
Prior year true-up	1,927,786	7.76%
Other	3,254,262	13.09%
Reported tax expense	\$ 9,282,905	37.37%
Federal and foreign income taxes incurred	\$ 7,377,889	29.70%
Change in net deferred income taxes	-	0.00%
Total statutory income taxes	\$ 7,377,889	29.70%

**NOTES TO FINANCIAL STATEMENTS****E. Operating Loss Carryforwards and Income Taxes Available for Recoupment**

Commonwealth net operating loss carryovers:

2018	-
2017	2,917,000

U.S. federal tax credit carryovers:

2018	790,000
2017	-

The amount of U.S. federal income taxes incurred that will be available for recoupment in the event of a future net losses is approximately:

2018	349,429
2017	-

The Commonwealth does not permit the carry back of net operating losses.

The Plan did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

**F. Consolidated Federal Income Tax Return:**

The Plan is included in the consolidated U.S. federal income tax return with its ultimate parent, Molina. Under a written intercompany tax-sharing agreement with Molina, approved by the Plan's board of directors, the combined federal income tax is allocated to each entity which is a party to the consolidation. Molina collects from, or refunds to, the subsidiaries the amount of taxes or benefits determined as if each entity filed separate tax returns. Under the tax-sharing agreement, the Plan has an enforceable right to recoup federal income taxes paid in prior years in the event of future net losses or to recoup net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany tax balances are settled within 90 days of filing the consolidated federal income tax return, or where a refund is due, within 90 days of the receipt of such refund. Molina's federal income tax return is consolidated with the entities shown in Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group.

**G. Federal or Foreign Federal Income Tax Loss Contingencies:**

The Plan does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

**H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA: None.****I. Alternative Minimum Tax (AMT Credit): None.****Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

**A.** The Plan is a wholly owned subsidiary of Molina. Molina and its subsidiaries provide quality managed care to people receiving government assistance. Molina offers healthcare services for persons served by Medicaid, Medicare, and the Marketplace, and products to assist government agencies in their administration of the Medicaid program. Molina has wholly owned operating subsidiaries in various states as indicated in Schedule Y, Parts 1 and 1A.

**B. - C.** The Plan neither paid dividends to, nor received contributions from Molina during the years ended December 31, 2018 and 2017, respectively.

The Plan has an agreement with Molina whereby Molina provides certain management services to the Plan. Expenses incurred relating to this agreement amounted to \$7,527,162 and \$15,503,362 for the years ended December 31, 2018 and 2017, respectively.

**D.** As of December 31, 2018 and 2017 amounts due to Molina and affiliates totaled \$244,260 and \$1,578,938, respectively. Intercompany receivables and payables are generally settled on a monthly basis.

**E.** The Plan is not a guarantor and does not participate in any undertakings.

**F.** The Plan has a services agreement with Molina, as described in Note 10.C. above.

**G.** As indicated in Note 10.A. above, the Plan is a wholly owned subsidiary of Molina. The entities under common ownership of Molina are indicated in Schedule Y, Parts 1 and 1A.

**H.** Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned: None.

**I.** Investment in Subsidiary, Controlled or Affiliated (SCA) Entity that Exceeds 10% of the Admitted Assets: None.

**J.** Investment in Impaired SCA Entities: None.

**K.** Investment in Foreign Insurance Subsidiary: None.

**L.** Investment in Downstream Noninsurance Holding Company: None.

**M.** All SCA Investments: None.

**N.** Investment in Insurance SCAs: None.

**O.** SCA Loss Tracking: None.

**Note 11 – Debt**

**A.** Debt including Capital Notes: None.

**B.** FHLE (Federal Home Loan Bank) Agreements: None.

**NOTES TO FINANCIAL STATEMENTS**

**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

- A. - D. Defined Benefit Plan: None.
- E. Defined Contribution Plans: None.
- F. Multiemployer Plans: None.
- G. Consolidated/Holding Company Plans: The employees of the Plan are eligible to participate in a defined contribution 401(k) plan sponsored by Molina subject to the participation eligibility set forth in the plan. Eligible employees are allowed to contribute up to the maximum allowed by law. The Plan matches up to the first 4% of compensation contributed by the employees subject to a one-year cliff vesting requirement. The Plan has no legal obligation to provide benefits under the plan. The Plan's expense recognized in connection with the 401(k) plan was \$841,344 and \$823,030 for the years ended December 31, 2018 and 2017, respectively.
- H. Postemployment Benefits and Compensated Absences: None.
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17): None.

**Note 13 – Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations**

- (1) The Plan has 10,000 shares of no par value common stock authorized, 100 shares issued and outstanding.
- (2) Preferred stock: None.
- (3) Dividend Restrictions: Cash dividends may not be paid to the Parent except out of that part of the Company's available surplus funds which is derived from any realized net profits on the Company's business.
- (4) Dividends paid by the Plan to Molina during the years 2018 and 2017, respectively, were as follows: None.
- (5) Subject to the limitations of (3) above, no restrictions have been placed on the portion of the Plan's profits that may be paid as ordinary dividends to Molina.
- (6) Restrictions placed on unassigned funds (surplus): None.
- (7) Advances to surplus not repaid: None.
- (8) Stock held for special purposes: None.
- (9) Changes in the balance of special surplus funds: In accordance with SSAP No. 106, *Affordable Care Act Assessments*, the Plan reclassifies an amount equal to the estimated health insurer fee due in the following calendar year from unassigned surplus to special surplus. Due to the moratorium on the health insurer fee for the 2019 calendar, the Plan did not reclassify amounts to special surplus at December 31, 2018. The special surplus balance at December 31, 2017 represented the Plan's estimated health insurer fee for 2018.
- (10) The portion of unassigned surplus or deficit, excluding the apportionment of estimated Section 9010 ACA subsequent fee year assessment, net income, and dividends, represented or reduced by each item below is as follows:

	2018		2017		Change
Nonadmitted assets	\$ 5,388,918	\$	15,508,718	\$	(10,119,800)
Total	\$ 5,388,918	\$	15,508,718	\$	(10,119,800)

- (11) Surplus debentures or similar obligations: None.
- (12) The impact of any restatement due to prior quasi-reorganizations: None.
- (13) The effective dates of all quasi-reorganizations in the prior 10 years: None.

**Note 14 – Liabilities, Contingencies and Assessments**

- A. Contingent Commitments: The Plan has no contingent commitments.
- B. Assessments: None.
- C. Gain Contingencies: None.
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Total SSAP 97 and SSAP 48 Contingent Liabilities: None.
- E. Joint and Several Liabilities: None.
- F. All Other Contingencies: Many of the Plan's medical contracts are complex in nature and may be subject to differing interpretations regarding amounts due for the provision of various services. Such differing interpretations have led certain medical providers to pursue the Plan for additional compensation. The claims made by providers in such circumstances often involve issues of contract compliance, interpretation, payment methodology, and intent. These claims often extend to services provided by the providers over a number of years. In addition, the Plan may be involved in legal actions in the normal course of business, some of which involve a demand for both compensatory and punitive damages not covered by insurance. Currently, there are no pending or threatened actions which, to the knowledge and in the opinion of management and the Plan's counsel, would have a material adverse effect on the Plan's financial position, results of operations or cash flow.

**Note 15 – Leases**

- A. Lessee Operating Lease
  - (1) The Plan leases office facilities and equipment under noncancelable long-term operating leases. Some of the leases contain escalation clauses and renewal options. Rental expense relating to these totaled \$2,980,815 and \$3,072,562 for the years ended December 31, 2018 and 2017, respectively.

## NOTES TO FINANCIAL STATEMENTS

## (2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

a. At January 1, 2019 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2019	\$ 2,823,035
2. 2020	\$ 866,255
3. 2021	\$ -
4. 2022	\$ -
5. 2023	\$ -
6. Total	\$ 3,689,290

(3) For Sale-Leaseback Transactions: None.

B. Lessor Leases: None.

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

None.

**Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales: None.

B. Transfer and Servicing of Financial Assets: None.

C. Wash Sales: None.

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

A. ASO Plans: None.

B. ASC Plans: None.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract: None.

**Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

None.

**Note 20 – Fair Value Measurements**

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

**Level 1** – Certain inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

**Level 2** – Certain inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specific (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

**Level 3** – Certain inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

Bonds and short-term investments are based on quoted market prices, where available.

## A. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date: The Plan's assets measured and reported at fair value on a recurring basis are listed in the table below. The Plan receives monthly statements from investment brokers that provide market pricing. There were no transfers between Level 1 and Level 2 of the fair value hierarchy.

Description for Each Type of Asset or Liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>Assets at Fair Value</b>					
Other Money Market Mutual Fund	\$ -	\$ 100,000,852	\$ -	\$ -	\$ 100,000,852
<b>Total</b>	\$ -	\$ 100,000,852	\$ -	\$ -	\$ 100,000,852
<b>Liabilities at Fair Value</b>					
	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -

(2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy: None.

**NOTES TO FINANCIAL STATEMENTS**

- (3) Policies when Transfers Between Levels are Recognized: None.
- (4) Fair value measurements categorized within Level 2 and Level 3: None.
- (5) Fair Value Disclosures: None.

B. Fair Value Reporting under SSAP No. 100, *Fair Value Measurements*, and Other Accounting Pronouncements: In addition to bonds and short-term investments (see below), the Plan’s statutory basis balance sheets typically include the following financial instruments: investment income due and accrued, federal income tax recoverable (payable), receivables, and current liabilities. The Plan believes the carrying amounts of these financial instruments approximate the fair value of these financial instruments because of the relatively short period of time between the origination of the instruments and their expected realization or payment.

C. Aggregate Fair Value Hierarchy

The aggregate fair value hierarchy of all financial instruments as of December 31, 2018 and 2017 is presented in the table below:

2018:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Open Depositories	\$ 108,748,981	\$ 108,748,981	\$ 108,748,981	\$ -	\$ -	\$ -	\$ -
Other Money Market Mutual Fund	\$ 100,000,852	\$ 100,000,852	\$ -	\$ 100,000,852	\$ -	\$ -	\$ -
US Government	\$ 604,193	\$ 608,179	\$ -	\$ 604,193	\$ -	\$ -	\$ -
Total financial instruments	\$ 209,354,026	\$ 209,358,012	\$ 108,748,981	\$ 100,605,045	\$ -	\$ -	\$ -

- D. Not Practicable to Estimate Fair Value: None.
- E. NAV Practical Expedient Investments: None.

Note 21 – Other Items

- A. Unusual or Infrequent Items: None.
- B. Troubled Debt Restructuring Debtors: None.
- C. Other Disclosures and Unusual Items:

Stock Plans

Under an equity incentive plan adopted by Molina, the Plan’s employees may be awarded Molina restricted stock or other equity incentives. Restricted stock awards generally vest in equal annual installments over periods of up to four years from the date of grant.

The Parent has an employee stock purchase plan under which the eligible employees of the Plan may purchase common shares at 85% of the lower of the fair market value of the Parent’s common stock on either the first or last trading day of each six-month offering period. Each participant is limited to a maximum purchase of \$25,000 (as measured by the fair value of the stock acquired) per year through payroll deductions.

- D. Business Interruption Insurance Recoveries: None.
- E. State Transferable and Non-Transferable Tax Credits: None.
- F. Subprime Mortgage Related Risk Exposure: None.
- G. Retained Assets: None.
- H. Insurance-Linked Securities (ILS) Contracts: None.

Note 22 – Events Subsequent

Type I – Recognized Subsequent Events: None.

Type II – Nonrecognized Subsequent Events:

The Plan is subject to an annual health insurer fee under section 9010 of the Federal Affordable Care Act (ACA). This annual fee is allocated to individual health insurers based on the ratio of the amount of the entity’s net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. Due to the moratorium on the health insurer fee for the 2019 calendar year, the Plan did not reclassify amounts to special surplus at December 31, 2018. The special surplus balance at December 31, 2017 represented the Plan’s estimated health insurer fee for 2018.

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?

Yes [ X ] No [ ]

	2018	2017
B. ACA fee assessment payable for the upcoming year	\$ -	\$ 12,500,000
C. ACA fee assessment paid	\$ 14,647,814	\$ -
D. Premium written subject to ACA 9010 assessment	\$ -	\$ 737,804,891
E. Total adjusted capital before surplus adjustment (Five-Year Historical Line 14)	\$ 106,502,284	
F. Total adjusted capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)	\$ 106,502,284	
G. Authorized control level (Five-Year Historical Line 15)	\$ 22,970,519	

H. Would reporting the ACA assessment as of December 31, 2018 have triggered an RBC action level (YES/NO)? Yes [ ] No [ X ]

The Plan evaluated its December 31, 2018, statutory basis financial statements for subsequent events through March 27, 2019, the date the statutory basis financial statements were available to be issued. The Plan is not aware of any subsequent events that would require recognition or disclosure in these statutory basis financial statements.

**NOTES TO FINANCIAL STATEMENTS****Note 23 – Reinsurance****A. Ceded Reinsurance Report****Section 1 – General Interrogatories**

- (1) Are any of the reinsurers listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes [ ] No [X]
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business? Yes [ ] No [X]

**Section 2 – Ceded Reinsurance Report – Part A**

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes [ ] No [X]
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes [ ] No [X]

**Section 3 – Ceded Reinsurance Report – Part B**

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement? Yes [ ] No [X]

B. Uncollectible Reinsurance: None.

C. Commutation of Ceded Reinsurance: None.

D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None.

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. - C. None.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act: None.

E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes [ ] No [X]
- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year: None.
- (3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance: None.
- (4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year: None.
- (5) ACA Risk Corridors Receivable as of Reporting Date: None.

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses****A. Change in Incurred Losses and Loss Adjustment Expenses**

The change in prior year estimated claims reserves represents (favorable) unfavorable development in claims experience as of December 31, 2018 and 2017, respectively. Original estimates are increased or decreased as additional information becomes known regarding incurred reported claims. Claims unpaid activity during 2018 and 2017 is summarized below:

	Year ended 12/31/2018	Year ended 12/31/2017
Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, beginning of period	\$ 100,791,777	\$ 80,273,460
Add provision for claims, net of reinsurance:		
Current year	\$ 641,977,566	\$ 660,047,823
Prior years	\$ (27,772,199)	\$ 12,350,736
Net incurred claims during the current year	<u>\$ 614,205,367</u>	<u>\$ 672,398,559</u>
Deduct paid claims, net of reinsurance		
Current year	\$ 561,291,163	\$ 578,275,420
Prior years	\$ 54,297,640	\$ 56,592,779
Net paid claims during the current year	<u>\$ 615,588,803</u>	<u>\$ 634,868,199</u>
Change in claims adjustment expenses	\$ (314,076)	\$ 425,015
Change in health care receivables	\$ (8,797,384)	\$ (17,437,058)

**NOTES TO FINANCIAL STATEMENTS**

Unpaid claims liabilities, accrued medical incentives, and claims adjustment expenses, end of period	\$ 90,296,881	\$ 100,791,777
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B. Information about Significant Changes in Methodologies and Assumptions: The Plan did not make any significant changes in methodologies and assumptions used in the calculation of the liability for claims unpaid and unpaid claim adjustment expenses in 2018 or 2017.

**Note 26 – Intercompany Pooling Arrangements**

None.

**Note 27 – Structured Settlements**

None.

**Note 28 – Health Care Receivables**

A. Pharmaceutical Rebate Receivables: None.

B. Risk Sharing Receivables: None.

**Note 29 – Participating Policies**

None.

**Note 30 – Premium Deficiency Reserves**

	Year ended 12/31/2018	Year ended 12/31/2017
1. Liability carried for premium deficiency reserve:	\$ -	\$ -
2. Date of most recent evaluation of this liability:	December 31, 2018	December 31, 2017
3. Was anticipated investment income utilized in the calculation?	Yes	Yes

**Note 31 – Anticipated Salvage and Subrogation**

None.

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes  No   
If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes  No  N/A
- 1.3 State regulating? Puerto Rico
- 1.4 Is the reporting entity publicly traded or a member of publicly traded group? Yes  No
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 1179929
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes  No
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. \_\_\_\_\_
- 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?  
Not applicable
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes  No  N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes  No  N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
  - 4.11 sales of new business? Yes  No
  - 4.12 renewals? Yes  No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
  - 4.21 sales of new business? Yes  No
  - 4.22 renewals? Yes  No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes  No   
If the answer is YES, complete and file the merger history data file with the NAIC.
- 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
- 6.2 If yes, give full information: \_\_\_\_\_
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes  No
- 7.2 If yes,
  - 7.21 State the percentage of foreign control \_\_\_\_\_ %
  - 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes  No
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. \_\_\_\_\_
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes  No
- 8.4 If 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?  
Grant Thornton LLP 90 State House Square, 10th Floor, Hartford, CT 06103
- 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
- 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
- 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  No  N/A

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

- 10.6 If the response to 10.5 is no or n/a, please explain:  
The Plan is a direct wholly owned subsidiary of Molina. Molina is a publicly traded company and is subject to compliance with the Sarbanes-Oxley Act. An Audit Committee is maintained at the Corporate level (Molina).
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?  
Ben Lynam, FSA, MAAA, Chief Actuary, 200 OceanGate, Suite 100, Long Beach, CA 90802. Employee of the reporting entity.
- 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 [ ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
Yes [X] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 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]

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

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

**INVESTMENT**

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

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

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

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes [ ] No [ ] 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 \$ 5,113,016

25.29 On deposit with other regulatory bodies \$ 0

25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$ 5,000,000

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
Morgan Stanley	2000 Westchester Ave, Purchase, NY 10577
Citibank	55 Water St. New York, NY 10041
U.S. Bank National Association	1420 Fifth Avenue, Suite 700, Seattle, WA 98101

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"].

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

1 Name of Firm or Individual	2 Affiliation
Morgan Stanley	U
US Bank	U

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

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
149777	Morgan Stanley		SEC	No

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

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	\$ 608,179	\$ 604,193	\$ (3,986)
30.2 Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3 Totals	\$ 608,179	\$ 604,193	\$ (3,986)

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

Fair values are provided by third party vendor, Clearwater Analytics, who uses unit prices published by the Securities Valuation Office of the NAIC (SVO) when available. For securities not priced by the SVO Clearwater Analytics receives pricing from S&P Capital IQ Pricing. Securities with short maturities and infrequent secondary market trades such as Commercial Paper and Certificates of Deposit, Clearwater will calculate prices by accreting the purchase price to face value at maturity.

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

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

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

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

32.2 If no, list exceptions:

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

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- 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 5GI securities? Yes  No

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes  No

#### OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 209,737

35.2 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
Medicaid and Medicare Advantage Products Association of Puerto Rico	\$ 198,650

36.1 Amount of payments for legal expenses, if any? \$ 214,402

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

36.2 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
Morell Bauza Cartagena Dapena, Oneill & Borges LLC	\$ 214,402

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

\$ 0

37.2 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	2	
		Current Year	Prior Year	
2.1	Premium Numerator	\$ 715,148,551	\$ 731,574,820	
2.2	Premium Denominator	\$ 715,148,551	\$ 731,574,820	
2.3	Premium Ratio (2.1/2.2)	100.0%	100.0%	
2.4	Reserve Numerator	\$ 93,426,988	\$ 99,253,216	
2.5	Reserve Denominator	\$ 93,426,988	\$ 99,253,216	
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 [ ] No [X]
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		\$ 1,367,500	
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**

The Plan is insured under an annual HMO excess risk reinsurance agreement effective 1/1/18-12/31/18 with RGA Reinsurance Company. Subscribers are also protected against the Plan's insolvency through provider agreements, evidence of coverage, and/or member handbooks.

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes  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 3,411

8.2 Number of providers at end of reporting year 5,203

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

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  No

10.2 If yes:

10.21 Maximum amount payable bonuses 0

10.22 Amount actually paid for year bonuses 10,818,561

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

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

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

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes  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. \$ 45,941,038

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

11.6 If the amount is calculated, show the calculation

200% of RBC Authorized Control Level. \$22,970,519 X 2 = \$45,941,038.

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

1 Name of Service Area
All Regions

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

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

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

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

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

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)

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes  No

## **GENERAL INTERROGATORIES**

### **PART 2 – HEALTH INTERROGATORIES**

16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?

Yes [ ] No [X]

## FIVE-YEAR HISTORICAL DATA

	1 2018	2 2017	3 2016	4 2015	5 2014
<b>Balance Sheet Items (Pages 2 and 3)</b>					
1. Total admitted assets (Page 2, Line 28).....	217,489,676	184,421,264	158,842,829	130,595,813	5,097,778
2. Total liabilities (Page 3, Line 24).....	110,987,392	105,502,702	92,449,191	81,466,893	55,222
3. Statutory minimum capital and surplus requirement.....	45,941,038	48,240,286	48,804,218	43,342,692	4,500,000
4. Total capital and surplus (Page 3, Line 33).....	106,502,284	78,918,562	66,393,638	49,128,920	5,042,556
<b>Income Statement Items (Page 4)</b>					
5. Total revenues (Line 8).....	710,793,959	731,574,820	746,252,143	556,568,814	
6. Total medical and hospital expenses (Line 18).....	614,205,367	672,398,559	677,740,447	493,944,789	
7. Claims adjustment expenses (Line 20).....	21,743,911	18,464,813	17,017,738	13,499,446	
8. Total administrative expenses (Line 21).....	52,197,836	48,830,051	64,544,723	55,498,236	59,285
9. Net underwriting gain (loss) (Line 24).....	22,646,845	(8,118,603)	(13,050,765)	(6,373,657)	(59,285)
10. Net investment gain (loss) (Line 27).....	2,309,866	741,670	296,421	47,435	1,278
11. Total other income (Lines 28 plus 29).....	(114,900)	(14,150)	1,719,835	(2,906,440)	
12. Net income or (loss) (Line 32).....	17,463,922	(5,356,226)	(9,919,792)	(15,439,485)	(58,007)
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11).....	55,733,563	11,904,196	(15,346,265)	39,182,134	(59,285)
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital.....	106,502,284	78,918,562	66,393,638	49,128,920	5,042,556
15. Authorized control level risk-based capital.....	22,970,519	24,120,143	24,402,109	21,671,346	32,226
<b>Enrollment (Exhibit 1)</b>					
16. Total members at end of period (Column 5, Line 7).....	252,456	314,263	329,509	348,007	
17. Total member months (Column 6, Line 7).....	3,730,931	3,847,836	4,018,688	3,179,351	
<b>Operating Percentage (Page 4)</b> (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).....	86.4	91.9	90.8	88.7	
20. Cost containment expenses.....	3.0	2.5	2.2	2.3	
21. Other claims adjustment expenses.....	0.1	0.1	0.1	0.2	
22. Total underwriting deductions (Line 23).....	96.8	101.1	101.7	101.1	
23. Total underwriting gain (loss) (Line 24).....	3.2	(1.1)	(1.7)	(1.1)	
<b>Unpaid Claims Analysis (U&amp;I Exhibit, Part 2B)</b>					
24. Total claims incurred for prior years (Line 13, Col. 5).....	62,772,952	86,768,583	38,460,329		
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	89,781,260	52,250,900	48,470,783		
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
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:

**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION.....Molina Healthcare of Puerto Rico, Inc. 2. San Juan, PR

**BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR**

NAIC Group Code.....1531

(Location)

NAIC Company Code.....15600

	1		2		3	4	5	6	7	8	9	10
	Total	Individual	Comprehensive (Hospital & Medical)	Group								
<b>Total Members at end of:</b>												
1. Prior year.....	314,263										314,263	
2. First quarter.....	316,343										316,343	
3. Second quarter.....	325,822										325,822	
4. Third quarter.....	319,901										319,901	
5. Current year.....	252,456										252,456	
6. Current year member months.....	3,730,931										3,730,931	
<b>Total Member Ambulatory Encounters for Year:</b>												
7. Physician.....	1,936,445										1,936,445	
8. Non-physician.....	1,837,333										1,837,333	
9. Totals.....	3,773,778	0	0	0	0	0	0	0	0	0	3,773,778	0
10. Hospital patient days incurred.....	156,695										156,695	
11. Number of inpatient admissions.....	32,666										32,666	
12. Health premiums written (b).....	715,397,035										715,397,035	
13. Life premiums direct.....	0										0	
14. Property/casualty premiums written.....	0										0	
15. Health premiums earned.....	711,042,444										711,042,444	
16. Property/casualty premiums earned.....	0										0	
17. Amount paid for provision of health care services.....	604,770,242										604,770,242	
18. Amount incurred for provision of health care services.....	614,205,367										614,205,367	

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0



**EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)**

REPORT FOR: 1. CORPORATION.....Molina Healthcare of Puerto Rico, Inc. 2. San Juan, PR

**BUSINESS IN THE STATE OF PUERTO RICO DURING THE YEAR**

NAIC Group Code.....1531

(Location)

NAIC Company Code.....15600

	1		2		3		4	5	6	7	8	9	10
	Total	Individual	Comprehensive (Hospital & Medical)	Group	Medicare Supplement	Vision Only							
<b>Total Members at end of:</b>													
1. Prior year.....	314,263											314,263	
2. First quarter.....	316,343											316,343	
3. Second quarter.....	325,822											325,822	
4. Third quarter.....	319,901											319,901	
5. Current year.....	252,456											252,456	
6. Current year member months.....	3,730,931											3,730,931	
<b>Total Member Ambulatory Encounters for Year:</b>													
7. Physician.....	1,936,445											1,936,445	
8. Non-physician.....	1,837,333											1,837,333	
9. Totals.....	3,773,778	0	0	0	0	0	0	0	0	0	0	3,773,778	0
10. Hospital patient days incurred.....	156,695											156,695	
11. Number of inpatient admissions.....	32,666											32,666	
12. Health premiums written (b).....	715,397,035											715,397,035	
13. Life premiums direct.....	0											0	
14. Property/casualty premiums written.....	0											0	
15. Health premiums earned.....	711,042,444											711,042,444	
16. Property/casualty premiums earned.....	0											0	
17. Amount paid for provision of health care services.....	604,770,242											604,770,242	
18. Amount incurred for provision of health care services.....	614,205,367											614,205,367	

(a) For health business: number of persons insured under PPO managed care products.....0 and number of persons insured under indemnity only products.....0.

(b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

**Sch. S - Pt. 1 - Sn. 2**  
**NONE**

**Sch. S - Pt. 2**  
**NONE**

**SCHEDULE S - PART 3 - SECTION 2**

Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14
NAIC Company Code	ID Number	Effective Date	Name of Company	Domiciliary Jurisdiction	Type of Reinsurance Ceded	Type of Business Ceded	Premiums	Unearned Premiums (Estimated)	Reserve Credit Taken Other Than for Unearned Premiums	Current Year	Prior Year	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
			<b>General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates</b>										
93572	43-1235868	01/01/2016	RCA Reinsurance Company	MO	SSLJ	MC	248,484	0	0	0	0	0	0
0899999	Total - General Account - Authorized - Non-Affiliates - U.S. Non-Affiliates						248,484	0	0	0	0	0	0
1099999	Total - General Account - Authorized - Non-Affiliates						248,484	0	0	0	0	0	0
1199999	Total - General Account - Authorized						248,484	0	0	0	0	0	0
3499999	Total - General Account - Authorized, Unauthorized and Certified						248,484	0	0	0	0	0	0
6999999	Total - U.S.						248,484	0	0	0	0	0	0
9999999	Total						248,484	0	0	0	0	0	0

**Sch. S - Pt. 4**  
**NONE**

**Sch. S - Pt. 5**  
**NONE**

**SCHEDULE S - PART 6**

**Five-Year Exhibit of Reinsurance Ceded Business  
(000 Omitted)**

	1 2018	2 2017	3 2016	4 2015	5 2014
<b>A. OPERATIONS ITEMS</b>					
1. Premiums.....					
2. Title XVIII - Medicare.....					
3. Title XIX - Medicaid.....	248	307	400	254	
4. Commissions and reinsurance expense allowance.....					
5. Total hospital and medical expenses.....					
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable.....					
7. Claims payable.....					
8. Reinsurance recoverable on paid losses.....					
9. Experience rating refunds due or unpaid.....					
10. Commissions and reinsurance expense allowances due.....					
11. Unauthorized reinsurance offset.....					
12. Offset for reinsurance with certified reinsurers.....					
<b>C. UNAUTHORIZED REINSURANCE (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
13. Funds deposited by and withheld from (F).....					
14. Letters of credit (L).....					
15. Trust agreements (T).....					
16. Other (O).....					
<b>D. REINSURANCE WITH CERTIFIED REINSURERS (DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
17. Multiple beneficiary trust.....					
18. Funds deposited by and withheld from (F).....					
19. Letters of credit (L).....					
20. Trust agreements (T).....					
21. Other (O).....					

**SCHEDULE S - PART 7**

**Restatement of Balance Sheet to Identify Net Credit for Ceded Reinsurance**

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12).....	209,358,012		209,358,012
2. Accident and health premiums due and unpaid (Line 15).....	7,758,974		7,758,974
3. Amounts recoverable from reinsurers (Line 16.1).....			0
4. Net credit for ceded reinsurance.....	XXX		0
5. All other admitted assets (balance).....	372,690		372,690
6. Totals assets (Line 28).....	217,489,676	0	217,489,676
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1).....	75,755,436		75,755,436
8. Accrued medical incentive pool and bonus payments (Line 2).....	13,316,960		13,316,960
9. Premiums received in advance (Line 8).....			0
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount).....			0
11. Reinsurance in unauthorized companies (Line 20 minus inset amount).....			0
12. Reinsurance with certified reinsurers (Line 20 inset amount).....			0
13. Funds held under reinsurance treaties with certified reinsurers (Line 19 third inset amount).....			0
14. All other liabilities (balance).....	21,914,996		21,914,996
15. Total liabilities (Line 24).....	110,987,392	0	110,987,392
16. Total capital and surplus (Line 33).....	106,502,284	XXX	106,502,284
17. Total liabilities, capital and surplus (Line 34).....	217,489,676	0	217,489,676
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid.....	0		0
19. Accrued medical incentive pool.....	0		0
20. Premiums received in advance.....	0		0
21. Reinsurance recoverable on paid losses.....	0		0
22. Other ceded reinsurance recoverables.....	0		0
23. Total ceded reinsurance recoverables.....	0		0
24. Premiums receivable.....	0		0
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers.....	0		0
26. Unauthorized reinsurance.....	0		0
27. Reinsurance with certified reinsurers.....	0		0
28. Funds held under reinsurance treaties with certified reinsurers.....	0		0
29. Other ceded reinsurance payables/offsets.....	0		0
30. Total ceded reinsurance payables/offsets.....	0		0
31. Total net credit for ceded reinsurance.....	0		0

**Molina Healthcare of Puerto Rico, Inc.**  
**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 (a)	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		715,397,035				715,397,035	
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
59. Subtotal	XXX		0	715,397,035	0	0	0	715,397,035	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	XXX		0	715,397,035	0	0	0	715,397,035	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
58999. Total (Lines 58001 through 58003 + 58998)			0	0	0	0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.  
 A) premiums written within Puerto Rico

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	1
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state	0

R - Registered - Non-domiciled RRGs	0
Q - Qualified - Qualified or accredited reinsurer	0
N - None of the above - Not allowed to write business in the state	56

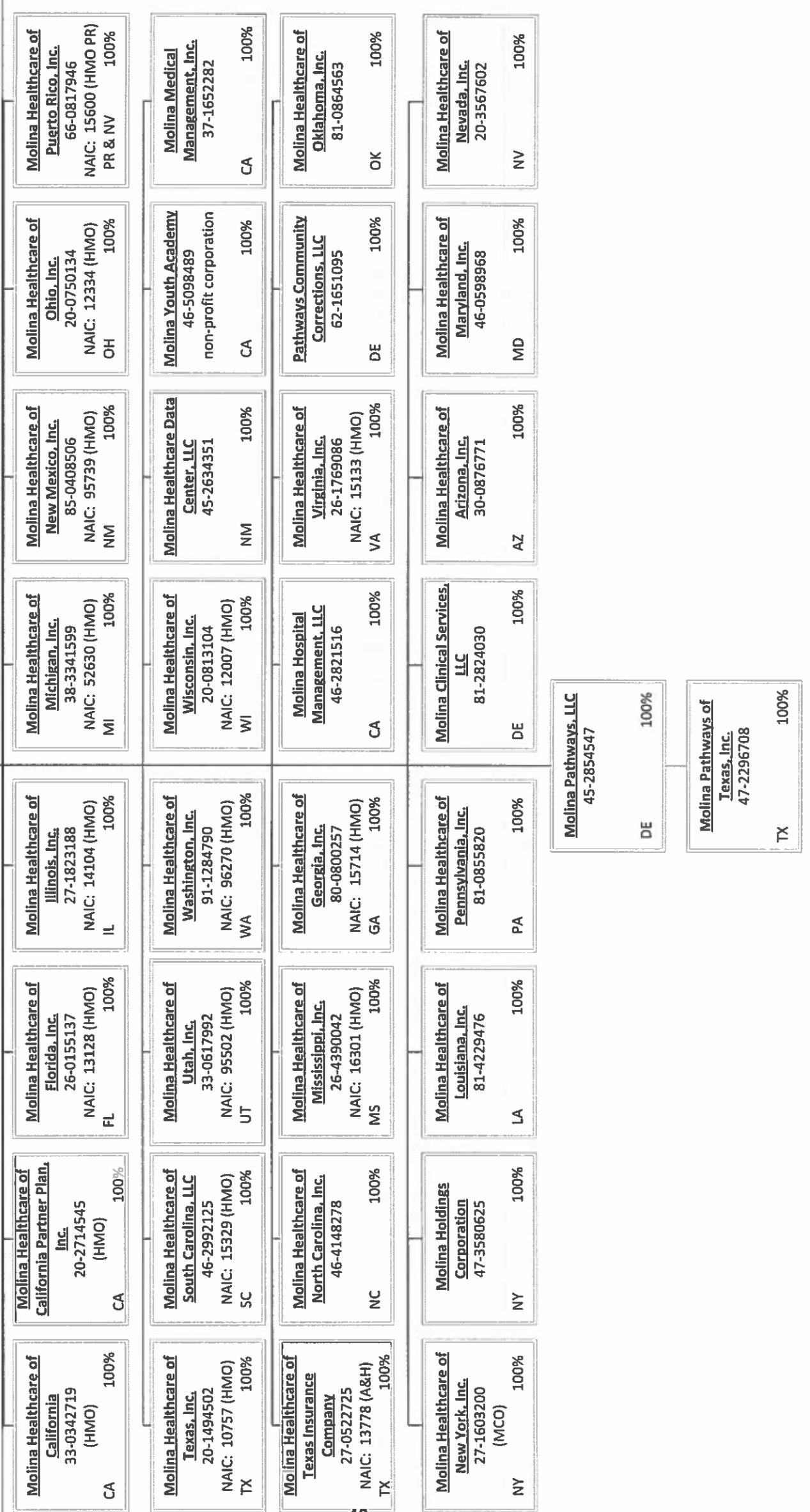
**SCHEDULE T - PART 2**  
**INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**  
 Allocated by States and Territories

States, Etc.	Direct Business Only					6 Totals
	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	
1. Alabama.....AL						0
2. Alaska.....AK						0
3. Arizona.....AZ						0
4. Arkansas.....AR						0
5. California.....CA						0
6. Colorado.....CO						0
7. Connecticut.....CT						0
8. Delaware.....DE						0
9. District of Columbia.....DC						0
10. Florida.....FL						0
11. Georgia.....GA						0
12. Hawaii.....HI						0
13. Idaho.....ID						0
14. Illinois.....IL						0
15. Indiana.....IN						0
16. Iowa.....IA						0
17. Kansas.....KS						0
18. Kentucky.....KY						0
19. Louisiana.....LA						0
20. Maine.....ME						0
21. Maryland.....MD						0
22. Massachusetts.....MA						0
23. Michigan.....MI						0
24. Minnesota.....MN						0
25. Mississippi.....MS						0
26. Missouri.....MO						0
27. Montana.....MT						0
28. Nebraska.....NE						0
29. Nevada.....NV						0
30. New Hampshire.....NH						0
31. New Jersey.....NJ						0
32. New Mexico.....NM						0
33. New York.....NY						0
34. North Carolina.....NC						0
35. North Dakota.....ND						0
36. Ohio.....OH						0
37. Oklahoma.....OK						0
38. Oregon.....OR						0
39. Pennsylvania.....PA						0
40. Rhode Island.....RI						0
41. South Carolina.....SC						0
42. South Dakota.....SD						0
43. Tennessee.....TN						0
44. Texas.....TX						0
45. Utah.....UT						0
46. Vermont.....VT						0
47. Virginia.....VA						0
48. Washington.....WA						0
49. West Virginia.....WV						0
50. Wisconsin.....WI						0
51. Wyoming.....WY						0
52. American Samoa.....AS						0
53. Guam.....GU						0
54. Puerto Rico.....PR						0
55. US Virgin Islands.....VI						0
56. Northern Mariana Islands.....MP						0
57. Canada.....CAN						0
58. Aggregate Other Alien.....OT						0
59. Totals.....	0	0	0	0	0	0

**NONE**

Statement as of December 31, 2018 of the **Molina Healthcare of Puerto Rico, Inc.**

**Molina Healthcare, Inc.**  
13-4204626  
(DE)



**SCHEDULE Y**  
**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/(Person(s))	Is an SCA Filing Required? (Y/N)	
Members															
1531	Molina Healthcare, Inc.	00000	13-4204626		1179929	New York Stock Exchange	Molina Healthcare, Inc.	DE	UDP	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	81-2824030				Molina Clinical Services, LLC	DE	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	45-2634351				Molina Healthcare Data Center, LLC	NM	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	30-0876771				Molina Healthcare of Arizona, Inc.	AZ	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	33-0342719				Molina Healthcare of California	CA	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	20-2714545				Molina Healthcare of California Partner Plan, Inc.	CA	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	13128	26-0155137				Molina Healthcare of Florida, Inc.	FL	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	15714	80-0800257				Molina Healthcare of Georgia, Inc.	GA	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	14104	27-1823188				Molina Healthcare of Illinois, Inc.	IL	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	81-4229476				Molina Healthcare of Louisiana, Inc.	LA	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	46-0588988				Molina Healthcare of Maryland, Inc.	MD	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	52630	38-3341599				Molina Healthcare of Michigan, Inc.	MI	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	16301	26-4390042				Molina Healthcare of Mississippi, Inc.	MS	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	20-3567602				Molina Healthcare of Nevada, Inc.	NV	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	95739	85-0408506				Molina Healthcare of New Mexico, Inc.	NM	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	27-1603200				Molina Healthcare of New York, Inc.	NY	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	46-4148278				Molina Healthcare of North Carolina, Inc.	NC	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	12334	20-0750134				Molina Healthcare of Ohio, Inc.	OH	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	81-0864563				Molina Healthcare of Oklahoma, Inc.	OK	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	81-0855820				Molina Healthcare of Pennsylvania, Inc.	PA	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	15600	66-0817946				Molina Healthcare of Puerto Rico, Inc.	PR	RE	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	15329	46-2992125				Molina Healthcare of South Carolina, LLC	SC	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	10757	20-1494502				Molina Healthcare of Texas, Inc.	TX	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	13778	27-0522725				Molina Healthcare of Texas Insurance Company	TX	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	95502	33-0617892				Molina Healthcare of Utah, Inc.	UT	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	15133	26-1769086				Molina Healthcare of Virginia, Inc.	VA	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	96270	91-1284790				Molina Healthcare of Washington, Inc.	WA	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	12007	20-0813104				Molina Healthcare of Wisconsin, Inc.	WI	IA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	47-3580625				Molina Holdings Corporation	NY	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	46-2821516				Molina Hospital Management, LLC	CA	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	37-1652282				Molina Medical Management, Inc.	CA	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	00000	45-2854547				Molina Pathways, LLC	DE	NIA	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	

**SCHEDULE Y**

**PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	
1531	Molina Healthcare, Inc.	000000	47-2296708				Molina Pathways of Texas, Inc.	TX	N/A	Molina Pathways, LLC	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	000000	46-5098489				Molina Youth Academy	CA	N/A	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	
1531	Molina Healthcare, Inc.	000000	62-1651095				Pathways Community Corrections, LLC	DE	N/A	Molina Healthcare, Inc.	Ownership	100.000	Molina Healthcare, Inc.	N	

**SCHEDULE Y**

**PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES**

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/ (Disbursements) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred under Reinsurance Agreements	*	Any Other Material Activity Not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
Affiliated Transactions												
00000	13-4204626	Molina Healthcare, Inc.	248,000,000	(16,286,324)			1,357,440,038				1,589,153,714	
00000	33-0342719	Molina Healthcare of California	(50,000,000)				1,334,666,312				1,284,666,312	
00000	20-2714545	Molina Healthcare of California Partner Plan, Inc.					(1,502,353,279)				(1,502,353,279)	
00000	45-2634351	Molina Healthcare Data Center, Inc.					5,569,491				5,569,491	
13128	26-0155137	Molina Healthcare of Florida, Inc.					(151,196,778)				(151,196,778)	
14104	27-1823188	Molina Healthcare of Illinois, Inc.					(72,690,380)				(72,690,380)	
52630	38-3341599	Molina Healthcare of Michigan, Inc.	(33,000,000)				(147,848,985)				(180,848,985)	
95739	85-0408506	Molina Healthcare of New Mexico, Inc.		37,000,000			(104,790,724)				(67,790,724)	
12334	20-0750134	Molina Healthcare of Ohio, Inc.	(60,000,000)				(188,136,769)				(248,136,769)	
15600	66-0817946	Molina Healthcare of Puerto Rico, Inc.	(25,000,000)				(35,704,911)	3,438,330			(35,704,911)	(1,665,518)
15329	46-2992125	Molina Healthcare of South Carolina, LLC					(247,408,129)	(3,438,330)			(250,846,459)	1,665,518
10757	20-1494502	Molina Healthcare of Texas, Inc.					4,511,621				4,511,621	
13776	27-0522725	Molina Healthcare of Texas Insurance Company	(40,000,000)				(40,640,866)				(80,840,866)	
95502	33-0617992	Molina Healthcare of Utah, Inc.					(10,881)				(10,881)	
15133	26-1769086	Molina Healthcare of Virginia, Inc.					181				181	
96270	91-1284790	Molina Healthcare of Washington, Inc.	(30,000,000)				(175,654,260)				(205,654,260)	
12007	20-0813104	Molina Healthcare of Wisconsin, Inc.		(50,000,000)			(21,212,436)				(71,212,436)	
15714	80-0900257	Molina Healthcare of Georgia, Inc.					528				528	
00000	45-0598868	Molina Healthcare of Maryland, Inc.					(16,278,762)				(16,278,762)	
00000	27-1603200	Molina Healthcare of New York, Inc.			(1,197)		206				(991)	
12905	20-3567602	Molina Healthcare of Nevada, Inc.		(2,993)							(2,993)	
00000	81-4229476	Molina Healthcare of Louisiana, Inc.										
00000	81-0855820	Molina Healthcare of Pennsylvania, Inc.										
00000	81-2824030	Molina Clinical Services, LLC	(10,000,000)									
00000	27-1510177	Molina Information Systems, LLC (dba Molina Medicaid Solutions)										
00000	37-1652282	Molina Medical Management, Inc.		165,000							165,000	
00000	45-2854547	Molina Pathways, LLC		342,785							342,785	
00000	47-2296708	Molina Pathways of Texas, Inc.		782,729							782,729	
16301	26-4390042	Molina Healthcare of Mississippi, Inc.		28,000,000			(683,594)				(683,594)	
9999999	Control Totals		0	0	0	0	0	0	0	0	0	0

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Responses
<b>MARCH FILING</b>	
1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?	YES
2. Will an actuarial opinion be filed by March 1?	YES
3. Will the confidential Risk-Based Capital Report be filed with the NAIC by March 1?	YES
4. Will the confidential Risk-Based Capital Report be filed with the state of domicile, if required, by March 1?	YES
<b>APRIL FILING</b>	
5. Will the Management's Discussion and Analysis be filed by April 1?	YES
6. Will the Supplemental Investment Risk Interrogatories be filed by April 1?	YES
7. Will the Accident and Health Policy Experience Exhibit be filed by April 1?	YES
<b>JUNE FILING</b>	
8. Will an audited financial report be filed by June 1?	YES
9. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1?	YES
<b>AUGUST FILING</b>	
10. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1?	YES

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

<b>MARCH FILING</b>	
11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?	NO
12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?	NO
13. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?	NO
14. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
15. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?	NO
16. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?	NO
17. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?	NO
18. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?	NO
19. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?	NO
<b>APRIL FILING</b>	
20. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?	NO
21. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?	NO
22. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?	NO
23. Will the regulator-only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?	NO
24. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1?	NO
25. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with state of domicile and the NAIC by April 1?	NO
<b>AUGUST FILING</b>	
26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1?	YES

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

**EXPLANATIONS:**

**BAR CODE:**

- 1.
- 2.
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11. The data for this supplement is not required to be filed.
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**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
<b>1. Bonds:</b>						
1.1 U.S. treasury securities.....	608,179	0.3	608,179		608,179	0.3
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies.....		0.0			0	0.0
1.22 Issued by U.S. government sponsored agencies.....		0.0			0	0.0
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities).....		0.0			0	0.0
1.4 Securities issued by states, territories and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations.....		0.0			0	0.0
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations.....		0.0			0	0.0
1.43 Revenue and assessment obligations.....		0.0			0	0.0
1.44 Industrial development and similar obligations.....		0.0			0	0.0
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA.....		0.0			0	0.0
1.512 Issued or guaranteed by FNMA and FHLMC.....		0.0			0	0.0
1.513 All other.....		0.0			0	0.0
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA.....		0.0			0	0.0
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-based securities issued or guaranteed by agencies shown in Line 1.521.....		0.0			0	0.0
1.523 All other.....		0.0			0	0.0
<b>2. Other debt and other fixed income securities (excluding short-term):</b>						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities).....		0.0			0	0.0
2.2 Unaffiliated non-U.S. securities (including Canada).....		0.0			0	0.0
2.3 Affiliated securities.....		0.0			0	0.0
<b>3. Equity interests:</b>						
3.1 Investments in mutual funds.....		0.0			0	0.0
3.2 Preferred stocks:						
3.21 Affiliated.....		0.0			0	0.0
3.22 Unaffiliated.....		0.0			0	0.0
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated.....		0.0			0	0.0
3.32 Unaffiliated.....		0.0			0	0.0
3.4 Other equity securities:						
3.41 Affiliated.....		0.0			0	0.0
3.42 Unaffiliated.....		0.0			0	0.0
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated.....		0.0			0	0.0
3.52 Unaffiliated.....		0.0			0	0.0
<b>4. Mortgage loans:</b>						
4.1 Construction and land development.....		0.0			0	0.0
4.2 Agricultural.....		0.0			0	0.0
4.3 Single family residential properties.....		0.0			0	0.0
4.4 Multifamily residential properties.....		0.0			0	0.0
4.5 Commercial loans.....		0.0			0	0.0
4.6 Mezzanine real estate loans.....		0.0			0	0.0
<b>5. Real estate investments:</b>						
5.1 Property occupied by company.....		0.0			0	0.0
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt).....		0.0			0	0.0
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt).....		0.0			0	0.0
6. Contract loans.....		0.0			0	0.0
7. Derivatives.....		0.0			0	0.0
8. Receivables for securities.....		0.0			0	0.0
9. Securities lending (Line 10, Asset Page reinvested collateral).....		0.0		XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments.....	208,749,833	99.7	208,749,833		208,749,833	99.7
11. Other invested assets.....		0.0			0	0.0
12. Total invested assets.....	209,358,012	100.0	209,358,012	0	209,358,012	100.0

**SCHEDULE A - VERIFICATION BETWEEN YEARS**

Real Estate

1. Book/adjusted carrying value, December 31 of prior year.....	_____	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 6).....	_____	
2.2 Additional investment made after acquisition (Part 2, Column 9).....	_____	0
3. Current year change in encumbrances:		
3.1 Totals, Part 1, Column 13.....	_____	
3.2 Totals, Part 3, Column 11.....	_____	0
4. Total gain (loss) on disposals, Part 3, Column 18.....	_____	
5. Deduct amounts received on disposals, Part 3, Column 15.....	_____	
6. Total foreign exchange change in book/adjusted carrying value:		
6.1 Totals, Part 1, Column 15.....	_____	
6.2 Totals, Part 3, Column 13.....	_____	0
7. Deduct current year's other-than-temporary impairment recognized:		
7.1 Totals, Part 1, Column 12.....	_____	
7.2 Totals, Part 3, Column 10.....	_____	0
8. Deduct current year's depreciation:		
8.1 Totals, Part 1, Column 11.....	_____	
8.2 Totals, Part 3, Column 9.....	_____	0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	_____	0
10. Deduct total nonadmitted amounts.....	_____	
11. Statement value at end of current period (Line 9 minus Line 10).....	_____	0

**NONE**

**SCHEDULE B - VERIFICATION BETWEEN YEARS**

Mortgage Loans

1. Book value recorded investment excluding accrued interest, December 31 of prior year.....	_____	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 7).....	_____	
2.2 Additional investment made after acquisition (Part 2, Column 8).....	_____	0
3. Capitalized deferred interest and other:		
3.1 Totals, Part 1, Column 12.....	_____	
3.2 Totals, Part 3, Column 11.....	_____	0
4. Accrual of discount.....	_____	
5. Unrealized valuation increase (decrease):		
5.1 Totals, Part 1, Column 9.....	_____	
5.2 Totals, Part 3, Column 8.....	_____	0
6. Total gain (loss) on disposals, Part 3, Column 18.....	_____	
7. Deduct amounts received on disposals, Part 3, Column 15.....	_____	
8. Deduct amortization of premium and mortgage interest points and commitment fees.....	_____	
9. Total foreign exchange change in book value/recorded investment excluding accrued interest:		
9.1 Totals, Part 1, Column 13.....	_____	
9.2 Totals, Part 3, Column 13.....	_____	0
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 Totals, Part 1, Column 11.....	_____	
10.2 Totals, Part 3, Column 10.....	_____	0
11. Book value recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	_____	0
12. Total valuation allowance.....	_____	
13. Subtotal (Line 11 plus Line 12).....	_____	0
14. Deduct total nonadmitted amounts.....	_____	
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14).....	_____	0

**NONE**

**SCHEDULE BA - VERIFICATION BETWEEN YEARS**

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year.....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8).....		
2.2 Additional investment made after acquisition (Part 2, Column 9).....		0
3. Capitalized deferred interest and other:		
3.1 Totals, Part 1, Column 16.....		
3.2 Totals, Part 3, Column 12.....		0
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease):		
5.1 Totals, Part 1, Column 13.....	<b>NONE</b>	
5.2 Totals, Part 3, Column 9.....		0
6. Total gain (loss) on disposals, Part 3, Column 19.....		
7. Deduct amounts received on disposals, Part 3, Column 16.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value:		
9.1 Totals, Part 1, Column 17.....		
9.2 Totals, Part 3, Column 14.....		0
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 Totals, Part 1, Column 15.....		
10.2 Totals, Part 3, Column 11.....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....		0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....		0

**SCHEDULE D - VERIFICATION BETWEEN YEARS**

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year.....		604,828
2. Cost of bonds and stocks acquired, Part 3, Column 7.....		
3. Accrual of discount.....		3,351
4. Unrealized valuation increase (decrease):		
4.1 Part 1, Column 12.....		
4.2 Part 2, Section 1, Column 15.....		
4.3 Part 2, Section 2, Column 13.....		
4.4 Part 4, Column 11.....		0
5. Total gain (loss) on disposals, Part 4, Column 19.....		
6. Deduct consideration for bonds and stocks disposed of, Part 4, Column 7.....		
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value:		
8.1 Part 1, Column 15.....		
8.2 Part 2, Section 1, Column 19.....		
8.3 Part 2, Section 2, Column 16.....		
8.4 Part 4, Column 15.....		0
9. Deduct current year's other-than-temporary impairment recognized:		
9.1 Part 1, Column 14.....		
9.2 Part 2, Section 1, Column 17.....		
9.3 Part 2, Section 2, Column 14.....		
9.4 Part 4, Column 13.....		0
10. Total investment income recognized as a result of prepayment and/or acceleration fees, Note 5R, Line 5R(2).....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10).....		608,179
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....		608,179

**SCHEDULE D - SUMMARY BY COUNTRY**

Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b> Governments (Including all obligations guaranteed by governments)	1. United States.....	608,179	604,193	602,899	610,000
	2. Canada.....				
	3. Other Countries.....				
	4. Totals.....	608,179	604,193	602,899	610,000
U.S. States, Territories and Possessions (Direct and guaranteed)	5. Totals.....				
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. Totals.....				
U.S. Special Revenue and Special Assessment Obligations and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions	7. Totals.....				
Industrial and Miscellaneous, SVO Identified Funds, Bank Loans and Hybrid Securities (Unaffiliated)	8. United States.....				
	9. Canada.....				
	10. Other Countries.....				
	11. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	12. Totals.....				
	<b>13. Total Bonds.....</b>	<b>608,179</b>	<b>604,193</b>	<b>602,899</b>	<b>610,000</b>
<b>PREFERRED STOCKS</b> Industrial and Miscellaneous (Unaffiliated)	14. United States.....				
	15. Canada.....				
	16. Other Countries.....				
	17. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	18. Totals.....				
	<b>19. Total Preferred Stocks.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>COMMON STOCKS</b> Industrial and Miscellaneous (Unaffiliated)	20. United States.....				
	21. Canada.....				
	22. Other Countries.....				
	23. Totals.....	0	0	0	0
Parent, Subsidiaries and Affiliates	24. Totals.....				
	<b>25. Total Common Stocks.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>26. Total Stocks.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>27. Total Bonds and Stocks.....</b>	<b>608,179</b>	<b>604,193</b>	<b>602,899</b>	

**SCHEDULE D - PART 1A - SECTION 1**

Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.7	9 Total from Column 7 Prior Year	10 % from Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>1. U.S. Governments</b>												
1.1 NAIC 1	608,179					XXX	608,179	100.0	604,827	100.0	608,179	
1.2 NAIC 2						XXX	0	0.0		0.0		
1.3 NAIC 3						XXX	0	0.0		0.0		
1.4 NAIC 4						XXX	0	0.0		0.0		
1.5 NAIC 5						XXX	0	0.0		0.0		
1.6 NAIC 6						XXX	0	0.0		0.0		
1.7 Totals	608,179	0	0	0	0	XXX	608,179	100.0	604,827	100.0	608,179	0
<b>2. All Other Governments</b>												
2.1 NAIC 1						XXX	0	0.0		0.0		
2.2 NAIC 2						XXX	0	0.0		0.0		
2.3 NAIC 3						XXX	0	0.0		0.0		
2.4 NAIC 4						XXX	0	0.0		0.0		
2.5 NAIC 5						XXX	0	0.0		0.0		
2.6 NAIC 6						XXX	0	0.0		0.0		
2.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>3. U.S. States, Territories and Possessions, etc., Guaranteed</b>												
3.1 NAIC 1						XXX	0	0.0		0.0		
3.2 NAIC 2						XXX	0	0.0		0.0		
3.3 NAIC 3						XXX	0	0.0		0.0		
3.4 NAIC 4						XXX	0	0.0		0.0		
3.5 NAIC 5						XXX	0	0.0		0.0		
3.6 NAIC 6						XXX	0	0.0		0.0		
3.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>												
4.1 NAIC 1						XXX	0	0.0		0.0		
4.2 NAIC 2						XXX	0	0.0		0.0		
4.3 NAIC 3						XXX	0	0.0		0.0		
4.4 NAIC 4						XXX	0	0.0		0.0		
4.5 NAIC 5						XXX	0	0.0		0.0		
4.6 NAIC 6						XXX	0	0.0		0.0		
4.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>												
5.1 NAIC 1						XXX	0	0.0		0.0		
5.2 NAIC 2						XXX	0	0.0		0.0		
5.3 NAIC 3						XXX	0	0.0		0.0		
5.4 NAIC 4						XXX	0	0.0		0.0		
5.5 NAIC 5						XXX	0	0.0		0.0		
5.6 NAIC 6						XXX	0	0.0		0.0		
5.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0

**SCHEDULE D - PART 1A - SECTION 1 (continued)**  
 Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11	12
	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Column 7 as a % of Line 11.7	Total from Column 7 Prior Year	% from Col. 8 Prior Year	Total Publicly Traded	Total Privately Placed (a)
<b>6. Industrial and Miscellaneous (unaffiliated)</b>												
6.1 NAIC 1						XXX	0	0.0		0.0		
6.2 NAIC 2						XXX	0	0.0		0.0		
6.3 NAIC 3						XXX	0	0.0		0.0		
6.4 NAIC 4						XXX	0	0.0		0.0		
6.5 NAIC 5						XXX	0	0.0		0.0		
6.6 NAIC 6						XXX	0	0.0		0.0		
6.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>7. Hybrid Securities</b>												
7.1 NAIC 1						XXX	0	0.0		0.0		
7.2 NAIC 2						XXX	0	0.0		0.0		
7.3 NAIC 3						XXX	0	0.0		0.0		
7.4 NAIC 4						XXX	0	0.0		0.0		
7.5 NAIC 5						XXX	0	0.0		0.0		
7.6 NAIC 6						XXX	0	0.0		0.0		
7.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>												
8.1 NAIC 1						XXX	0	0.0		0.0		
8.2 NAIC 2						XXX	0	0.0		0.0		
8.3 NAIC 3						XXX	0	0.0		0.0		
8.4 NAIC 4						XXX	0	0.0		0.0		
8.5 NAIC 5						XXX	0	0.0		0.0		
8.6 NAIC 6						XXX	0	0.0		0.0		
8.7 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>9. SVO Identified Funds</b>												
9.1 NAIC 1	XXX	XXX	XXX	XXX	XXX		0	0.0		0.0		
9.2 NAIC 2	XXX	XXX	XXX	XXX	XXX		0	0.0		0.0		
9.3 NAIC 3	XXX	XXX	XXX	XXX	XXX		0	0.0		0.0		
9.4 NAIC 4	XXX	XXX	XXX	XXX	XXX		0	0.0		0.0		
9.5 NAIC 5	XXX	XXX	XXX	XXX	XXX		0	0.0		0.0		
9.6 NAIC 6	XXX	XXX	XXX	XXX	XXX		0	0.0		0.0		
9.7 Totals	XXX	XXX	XXX	XXX	XXX	0	0	0.0	0	0.0	0	0
<b>10. Bank Loans</b>												
10.1 NAIC 1						XXX	0	0.0	XXX	XXX		
10.2 NAIC 2						XXX	0	0.0	XXX	XXX		
10.3 NAIC 3						XXX	0	0.0	XXX	XXX		
10.4 NAIC 4						XXX	0	0.0	XXX	XXX		
10.5 NAIC 5						XXX	0	0.0	XXX	XXX		
10.6 NAIC 6						XXX	0	0.0	XXX	XXX		
10.7 Totals	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0

**SCHEDULE D - PART 1A - SECTION 1 (continued)**

**Quality and Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations**

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.7	9 Total from Column 7 Prior Year	10 % from Col. 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
<b>11. Total Bonds Current Year</b>												
11.1 NAIC 1.....	(d) 608,179	0	0	0	0	0	608,179	100.0	XXX	XXX	608,179	0
11.2 NAIC 2.....	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
11.3 NAIC 3.....	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
11.4 NAIC 4.....	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
11.5 NAIC 5.....	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
11.6 NAIC 6.....	(d) 0	0	0	0	0	0	0	0.0	XXX	XXX	0	0
11.7 Totals.....	608,179	0	0	0	0	0	608,179	100.0	XXX	XXX	608,179	0
11.8 Line 11.7 as a % of Col. 7.....	100.0	0.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	0.0
<b>12. Total Bonds Prior Year</b>												
12.1 NAIC 1.....		604,827					XXX	XXX	604,827	100.0	604,827	
12.2 NAIC 2.....							XXX	XXX		0.0		
12.3 NAIC 3.....							XXX	XXX		0.0		
12.4 NAIC 4.....							XXX	XXX		0.0		
12.5 NAIC 5.....							XXX	XXX	(c)	0.0		
12.6 NAIC 6.....							XXX	XXX	(c)	0.0		
12.7 Totals.....	0	604,827	0	0	0	0	XXX	XXX	604,827	100.0	604,827	0
12.8 Line 12.7 as a % of Col. 9.....	0.0	100.0	0.0	0.0	0.0	0.0	XXX	XXX	100.0	XXX	100.0	0.0
<b>13. Total Publicly Traded Bonds</b>												
13.1 NAIC 1.....	608,179						608,179	100.0	604,827	100.0	608,179	XXX
13.2 NAIC 2.....							0	0.0	0	0.0	0	XXX
13.3 NAIC 3.....							0	0.0	0	0.0	0	XXX
13.4 NAIC 4.....							0	0.0	0	0.0	0	XXX
13.5 NAIC 5.....							0	0.0	0	0.0	0	XXX
13.6 NAIC 6.....							0	0.0	0	0.0	0	XXX
13.7 Totals.....	608,179	0	0	0	0	0	608,179	100.0	604,827	100.0	608,179	XXX
13.8 Line 13.7 as a % of Col. 7.....	100.0	0.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11.....	100.0	0.0	0.0	0.0	0.0	0.0	100.0	XXX	XXX	XXX	100.0	XXX
<b>14. Total Privately Placed Bonds</b>												
14.1 NAIC 1.....							0	0.0	0	0.0	XXX	0
14.2 NAIC 2.....							0	0.0	0	0.0	XXX	0
14.3 NAIC 3.....							0	0.0	0	0.0	XXX	0
14.4 NAIC 4.....							0	0.0	0	0.0	XXX	0
14.5 NAIC 5.....							0	0.0	0	0.0	XXX	0
14.6 NAIC 6.....							0	0.0	0	0.0	XXX	0
14.7 Totals.....	0	0	0	0	0	0	0	0.0	0	0.0	XXX	0
14.8 Line 14.7 as a % of Col. 7.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	XXX	0.0
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11.....	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	XXX	0.0

(a) Includes \$.....0 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$.....0 current year of bonds with Z designations, \$.....0 prior year of bonds with Z designations and \$.....0 prior year of bonds with Z designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z" means the SVO could not evaluate the obligation because valuation procedures for the security class are under regulatory review.

(c) Includes \$.....0 current year of bonds with 5G1 designations, \$.....0 prior year of bonds with 5\* or 5G1 designations and \$.....0 current year, \$.....0 prior year of bonds with 6\* designations. "5G1" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

**SCHEDULE D - PART 1A - SECTION 2**

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11	12
	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Column 7 as a % of Line 117	Total from Column 7 Prior Year	% from Col. 8 Prior Year	Total Publicly Traded	Total Privately Placed
<b>1. U.S. Governments</b>	608,179	0	0	0	0	XXX	608,179	100.0	604,827	100.0	608,179	0
1.1 Issuer Obligations	608,179	0	0	0	0	XXX	608,179	100.0	604,827	100.0	608,179	0
1.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
1.5 Totals	608,179	0	0	0	0	XXX	608,179	100.0	604,827	100.0	608,179	0
<b>2. All Other Governments</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
2.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>3. U.S. States, Territories and Possessions, Guaranteed</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
3.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
4.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>5. U.S. Special Revenue &amp; Special Assessment Obligations, etc., Non-Guaranteed</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
5.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>6. Industrial and Miscellaneous (unaffiliated)</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
6.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>7. Hybrid Securities</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
7.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
<b>8. Parent, Subsidiaries and Affiliates</b>	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.1 Issuer Obligations	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.2 Residential Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.3 Commercial Mortgage-Backed Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.4 Other Loan-Backed and Structured Securities	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0
8.5 Totals	0	0	0	0	0	XXX	0	0.0	0	0.0	0	0

**SCHEDULE D - PART 1A - SECTION 2 (continued)**

Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values By Major Type and Subtype of Issues

	1	2	3	4	5	6	7	8	9	10	11	12
	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Column 7 as a % of Line 11.7	Total from Column 7 Prior Year	% from Col. 8 Prior Year	Total Publicly Traded	Total Privately Placed
<b>9. SVO Identified Funds</b>												
9.1 Exchange Traded Funds Identified by the SVO.....	XXX	XXX	XXX	XXX	XXX		0	0.0	XXX	0.0		
9.2 Bond Mutual Funds Identified by the SVO.....	XXX	XXX	XXX	XXX	XXX		0	0.0	XXX	0.0		
9.3 Totals.....	XXX	XXX	XXX	XXX	XXX		0	0.0	XXX	0.0		
<b>10. Bank Loans</b>												
10.1 Bank Loans - Issued.....						XXX	0	0.0	XXX	XXX		
10.2 Bank Loans - Acquired.....						XXX	0	0.0	XXX	XXX		
10.3 Totals.....						XXX	0	0.0	XXX	XXX		
<b>11. Total Bonds Current Year</b>												
11.1 Issuer Obligations.....	608,179	0	0	0	0	XXX	608,179	100.0	XXX	XXX	608,179	0
11.2 Residential Mortgage-Backed Securities.....	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
11.3 Commercial Mortgage-Backed Securities.....	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
11.4 Other Loan-Backed and Structured Securities.....	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
11.5 SVO Identified Funds.....	XXX	XXX	XXX	XXX	XXX		0	0.0	XXX	XXX	0	0
11.6 Bank Loans.....	0	0	0	0	0	XXX	0	0.0	XXX	XXX	0	0
11.7 Totals.....	608,179	0	0	0	0	XXX	608,179	100.0	XXX	XXX	608,179	0
11.8 Line 11.7 as a % of Col. 7.....	100.0	0.0	0.0	0.0	0.0	XXX	100.0	XXX	XXX	XXX	100.0	0.0
<b>12. Total Bonds Prior Year</b>												
12.1 Issuer Obligations.....		604,827				XXX	XXX	XXX	604,827	100.0	604,827	
12.2 Residential Mortgage-Backed Securities.....						XXX	XXX	XXX	0	0.0		
12.3 Commercial Mortgage-Backed Securities.....						XXX	XXX	XXX	0	0.0		
12.4 Other Loan-Backed and Structured Securities.....						XXX	XXX	XXX	0	0.0		
12.5 SVO Identified Funds.....		XXX	XXX	XXX	XXX		XXX	XXX	0	0.0	XXX	XXX
12.6 Bank Loans.....		XXX	XXX	XXX	XXX		XXX	XXX	604,827	100.0	604,827	0
12.7 Totals.....	0	604,827	0	0	0	XXX	XXX	XXX	100.0	XXX	604,827	0
12.8 Line 12.7 as a % of Col. 9.....	0.0	100.0	0.0	0.0	0.0	XXX	XXX	XXX	100.0	XXX	100.0	0.0
<b>13. Total Publicly Traded Bonds</b>												
13.1 Issuer Obligations.....	608,179					XXX	608,179	100.0	604,827	100.0	608,179	XXX
13.2 Residential Mortgage-Backed Securities.....						XXX	0	0.0	0	0.0	0	XXX
13.3 Commercial Mortgage-Backed Securities.....						XXX	0	0.0	0	0.0	0	XXX
13.4 Other Loan-Backed and Structured Securities.....						XXX	0	0.0	0	0.0	0	XXX
13.5 SVO Identified Funds.....	XXX	XXX	XXX	XXX	XXX		0	0.0	XXX	XXX	0	XXX
13.6 Bank Loans.....						XXX	0	0.0	0	0.0	0	XXX
13.7 Totals.....	608,179	0	0	0	0	XXX	608,179	100.0	604,827	100.0	608,179	XXX
13.8 Line 13.7 as a % of Col. 7.....	100.0	0.0	0.0	0.0	0.0	XXX	100.0	XXX	XXX	XXX	100.0	XXX
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11.....	100.0	0.0	0.0	0.0	0.0	XXX	100.0	XXX	XXX	XXX	100.0	XXX
<b>14. Total Privately Placed Bonds</b>												
14.1 Issuer Obligations.....						XXX	0	0.0	0	0.0	XXX	0
14.2 Residential Mortgage-Backed Securities.....						XXX	0	0.0	0	0.0	XXX	0
14.3 Commercial Mortgage-Backed Securities.....						XXX	0	0.0	0	0.0	XXX	0
14.4 Other Loan-Backed and Structured Securities.....						XXX	0	0.0	0	0.0	XXX	0
14.5 SVO Identified Funds.....	XXX	XXX	XXX	XXX	XXX		0	0.0	XXX	XXX	0	XXX
14.6 Bank Loans.....						XXX	0	0.0	0	0.0	XXX	0
14.7 Totals.....	0	0	0	0	0	XXX	0	0.0	0	0.0	XXX	0
14.8 Line 14.7 as a % of Col. 7.....	0.0	0.0	0.0	0.0	0.0	XXX	0.0	XXX	XXX	XXX	0.0	0.0
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11.....	0.0	0.0	0.0	0.0	0.0	XXX	0.0	XXX	XXX	XXX	0.0	0.0

**Sch. DA - Verification  
NONE**

**Sch. DB - Pt. A - Verification  
NONE**

**Sch. DB - Pt. B - Verification  
NONE**

**Sch. DB - Pt. C - Sn. 1  
NONE**

**Sch. DB - Pt. C - Sn. 2  
NONE**

**Sch. DB - Verification  
NONE**

**SCHEDULE E - PART 2 - VERIFICATION BETWEEN YEARS**

Cash Equivalents

	1 Total	2 Bonds	3 Money Market Mutual Funds	4 Other (a)
1. Book/adjusted carrying value, December 31 of prior year.....	840		840	
2. Cost of cash equivalents acquired.....	100,000,011		100,000,011	
3. Accrual of discount.....	0			
4. Unrealized valuation increase (decrease).....	0			
5. Total gain (loss) on disposals.....	0			
6. Deduct consideration received on disposals.....	0			
7. Deduct amortization of premium.....	0			
8. Total foreign exchange change in book/adjusted carrying value.....	0			
9. Deduct current year's other-than-temporary impairment recognized.....	0			
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6+7+8+9).....	100,000,852		100,000,852	
11. Deduct total nonadmitted amounts.....	0			
12. Statement value at end of current period (Line 10 minus Line 11).....	100,000,852		100,000,852	0

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment.....

**Sch. A - Pt. 1  
NONE**

**Sch. A - Pt. 2  
NONE**

**Sch. A - Pt. 3  
NONE**

**Sch. B - Pt. 1  
NONE**

**Sch. B - Pt. 2  
NONE**

**Sch. B - Pt. 3  
NONE**

**Sch. BA - Pt. 1  
NONE**

**Sch. BA - Pt. 2  
NONE**

**Sch. BA - Pt. 3  
NONE**



**Sch. D - Pt. 2 - Sn. 1  
NONE**

**Sch. D - Pt. 2 - Sn. 2  
NONE**

**Sch. D - Pt. 3  
NONE**

**Sch. D - Pt. 4  
NONE**

**Sch. D - Pt. 5  
NONE**

**Sch. D - Pt. 6 - Sn. 1  
NONE**

**Sch. D - Pt. 6 - Sn. 2  
NONE**

**Sch. DA - Pt. 1  
NONE**

**Sch. DB - Pt. A - Sn. 1  
NONE**

**Sch. DB - Pt. A - Sn. 2  
NONE**

**Sch. DB - Pt. B - Sn. 1  
NONE**

**Sch. DB - Pt. B - Sn. 2  
NONE**

**Sch. DB - Pt. D - Sn. 1  
NONE**

**Sch. DB - Pt. D - Sn. 2  
NONE**

**Sch. DL - Pt. 1  
NONE**

**Sch. DL - Pt. 2  
NONE**

**SCHEDULE E - PART 1 - CASH**

1	2	3	4	5	6	7
Depository	Code	Rate of Interest	Amount of Interest Received During Year	Amount of Interest Accrued December 31 of Current Year	Balance	*
<b>Open Depositories</b>						
Citibank..... Puerto Rico.....					(1,151,374)	XXX
Citibank..... Puerto Rico.....					6,873,373	XXX
Citibank..... Puerto Rico.....					(32,079)	XXX
MUFG..... San Francisco, CA.....					100,000,000	XXX
Citibank..... Puerto Rico.....					(6,445,776)	XXX
Citibank..... Puerto Rico.....					5,000,000	XXX
Citibank..... Puerto Rico.....					4,504,837	XXX
0199999 Total - Open Depositories.....	XXX	XXX	0	0	108,748,981	XXX
0399999 Total Cash on Deposit.....	XXX	XXX	0	0	108,748,981	XXX
0599999 Total Cash.....	XXX	XXX	0	0	108,748,981	XXX

**TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR**

1. January.....	183,687,585	4. April.....	204,857,374	7. July.....	208,342,145	10. October.....	219,039,430
2. February.....	191,585,522	5. May.....	183,992,742	8. August.....	220,410,115	11. November.....	212,700,802
3. March.....	200,641,093	6. June.....	198,173,823	9. September.....	211,726,049	12. December.....	108,748,981

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

Show Investments Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9
Code	Description	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year	
<b>All Other Money Market Mutual Funds</b>								
09245U 70 0	BLKRR LO FEDFUND INSTL	12/31/2018	2.330		.852			
4812CO 67 0	JPMORGAN US GVT MM CAP	12/28/2018	2.360		25,000,000	6,317		
81747C 70 7	MORG STAN 11 LGV I	12/28/2018	2.410		25,000,000	6,441		
8252E2 88 5	INVESCO GOV/AGENCY INST	12/28/2018	2.390		25,000,000	6,413		
94975P 40 5	WELLS FRGO GOVERNMENT CL I MMF	12/28/2018	2.390		25,000,000	6,302		
8699999	Total - All Other Money Market Mutual Funds				100,000,852	25,473	15	
8699999	Total - Cash Equivalents				100,000,852	25,473	15	

**SCHEDULE E - PART 3 - SPECIAL DEPOSITS**

States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits for the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusting Carrying Value	4 Fair Value	5 Book/Adjusting Carrying Value	6 Fair Value
1. Alabama.....	AL					
2. Alaska.....	AK					
3. Arizona.....	AZ					
4. Arkansas.....	AR					
5. California.....	CA					
6. Colorado.....	CO					
7. Connecticut.....	CT					
8. Delaware.....	DE					
9. District of Columbia.....	DC					
10. Florida.....	FL					
11. Georgia.....	GA					
12. Hawaii.....	HI					
13. Idaho.....	ID					
14. Illinois.....	IL					
15. Indiana.....	IN					
16. Iowa.....	IA					
17. Kansas.....	KS					
18. Kentucky.....	KY					
19. Louisiana.....	LA					
20. Maine.....	ME					
21. Maryland.....	MD					
22. Massachusetts.....	MA					
23. Michigan.....	MI					
24. Minnesota.....	MN					
25. Mississippi.....	MS					
26. Missouri.....	MO					
27. Montana.....	MT					
28. Nebraska.....	NE					
29. Nevada.....	NV					
30. New Hampshire.....	NH					
31. New Jersey.....	NJ					
32. New Mexico.....	NM					
33. New York.....	NY					
34. North Carolina.....	NC					
35. North Dakota.....	ND					
36. Ohio.....	OH					
37. Oklahoma.....	OK					
38. Oregon.....	OR					
39. Pennsylvania.....	PA					
40. Rhode Island.....	RI					
41. South Carolina.....	SC					
42. South Dakota.....	SD					
43. Tennessee.....	TN					
44. Texas.....	TX					
45. Utah.....	UT					
46. Vermont.....	VT					
47. Virginia.....	VA					
48. Washington.....	WA					
49. West Virginia.....	WV					
50. Wisconsin.....	WI					
51. Wyoming.....	WY					
52. American Samoa.....	AS					
53. Guam.....	GU					
54. Puerto Rico.....	PR	Statutory Deposit and Insolvency Deposit - OCS.....	608,179	604,193	4,504,837	4,504,837
55. US Virgin Islands.....	VI					
56. Northern Mariana Islands.....	MP					
57. Canada.....	CAN					
58. Aggregate Alien and Other.....	XXX	XXX	0	0	0	0
59. Total.....	XXX	XXX	608,179	604,193	4,504,837	4,504,837

**DETAILS OF WRITE-INS**

5801. ....						
5802. ....						
5803. ....						
5898. Summary of remaining write-ins for line 58 from overflow page.....	XXX	XXX	0	0	0	0
5899. Total (Lines 5801 thru 5803+5898) (Line 58 above).....	XXX	XXX	0	0	0	0

