



**HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2014**
OF THE CONDITION AND AFFAIRS OF THE

The Health Plan of the Upper Ohio Valley, Inc.

NAIC Group Code 1297 , 1297 NAIC Company Code 95677 Employer's ID Number 55-0585592
(Current Period) (Prior Period)

Organized under the Laws of West Virginia , State of Domicile or Port of Entry West Virginia

Country of Domicile United States

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

Incorporated/Organized 08/08/1978 Commenced Business 11/01/1979

Statutory Home Office 52160 National Road E , St. Clairsville, OH, US 43950-9306
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 52160 National Road E
St. Clairsville, OH, US 43950-9306 740-695-3585
(City or Town, State, Country and Zip Code) (Street and Number) (Area Code) (Telephone Number)

Mail Address 52160 National Road E , St. Clairsville, OH, US 43950-9306
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 52160 National Road E
St. Clairsville, OH, US 43950-9306 740-695-3585
(City or Town, State, Country and Zip Code) (Street and Number) (Area Code) (Telephone Number)

Internet Website Address www.healthplan.org

Statutory Statement Contact Jeffrey Michael Knight 740-695-3585
(Name) (Area Code) (Telephone Number) (Extension)
jeffk@healthplan.org 740-695-6161
(E-mail Address) (FAX Number)

OFFICERS

| Name | Title | Name | Title |
|---------------------------|------------------|-------------------------|------------------|
| <u>James M Pennington</u> | <u>President</u> | <u>Jeffrey M Knight</u> | <u>Treasurer</u> |

OTHER OFFICERS

DIRECTORS OR TRUSTEES

| | | | |
|---------------------------|----------------------------|-----------------------------|----------------------------|
| <u>Robert Dunlevy</u> | <u>Jill Hall #</u> | <u>John D Holloway, MD</u> | <u>Frank Joanou</u> |
| <u>Charles P Monfradi</u> | <u>James W Newton, PhD</u> | <u>James M Pennington #</u> | <u>Edward P Polack, MD</u> |
| <u>John E Wright, IV</u> | <u>Nick P Zervos</u> | | |

State of

ss

County of

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

James M. Pennington
President

Jeffrey M. Knight
Treasurer

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

a. Is this an original filing? Yes [X] No []

b. If no,

1. State the amendment number _____

2. Date filed 03/02/2015

3. Number of pages attached _____

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

ASSETS

| | Current Year | | | Prior Year |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|-------------------------------------------|-----------------------------|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 Net Admitted Assets |
| 1. Bonds (Schedule D)..... | 107,721,791 | | 107,721,791 | 99,129,512 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks | 0 | | 0 | 384,536 |
| 2.2 Common stocks | 115,699,637 | 1,436,222 | 114,263,415 | 118,961,240 |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances)..... | 5,007,994 | | 5,007,994 | 5,133,498 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$16,877,089 , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$0 , Schedule DA)..... | 16,877,089 | | 16,877,089 | 15,586,021 |
| 6. Contract loans (including \$ premium notes)..... | | | 0 | 0 |
| 7. Derivatives (Schedule DB)..... | | | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 0 | | 0 | 0 |
| 9. Receivables for securities | | | 0 | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL)..... | | | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 245,306,511 | 1,436,222 | 243,870,289 | 239,194,807 |
| 13. Title plants less \$ charged off (for Title insurers only)..... | | | 0 | 0 |
| 14. Investment income due and accrued | 468,830 | | 468,830 | 830,827 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 6,518,559 | 7,766 | 6,510,793 | 3,393,402 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)..... | | | 0 | 0 |
| 15.3 Accrued retrospective premiums..... | 12,212 | | 12,212 | 26,365 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 520,322 | | 520,322 | 55,138 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 908,422 | | 908,422 | 1,187,124 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | 0 |
| 18.2 Net deferred tax asset..... | | | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 20. Electronic data processing equipment and software..... | 417,155 | 153,524 | 263,631 | 336,932 |
| 21. Furniture and equipment, including health care delivery assets (\$) | 138,538 | 138,538 | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 5,385,181 | | 5,385,181 | 0 |
| 24. Health care (\$3,199,985) and other amounts receivable..... | 6,539,050 | 3,339,065 | 3,199,985 | 0 |
| 25. Aggregate write-ins for other than invested assets | 1,985,229 | 1,033,042 | 952,187 | 886,127 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 268,200,009 | 6,108,157 | 262,091,852 | 245,910,722 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | 0 |
| 28. Total (Lines 26 and 27) | 268,200,009 | 6,108,157 | 262,091,852 | 245,910,722 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Miscellaneous Accounts Receivable..... | 989,627 | 37,440 | 952,187 | 886,127 |
| 2502. Goodwill..... | 176,467 | 176,467 | 0 | 0 |
| 2503. Prepaid Assets..... | 819,135 | 819,135 | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) | 1,985,229 | 1,033,042 | 952,187 | 886,127 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Year | | | Prior Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------|-------------|-------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$ reinsurance ceded) | 45,708,367 | | 45,708,367 | 42,526,104 |
| 2. Accrued medical incentive pool and bonus amounts | 189,856 | | 189,856 | .0 |
| 3. Unpaid claims adjustment expenses | 1,531,332 | | 1,531,332 | 1,259,340 |
| 4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act | 2,342,481 | | 2,342,481 | 1,980,025 |
| 5. Aggregate life policy reserves | | | 0 | 0 |
| 6. Property/casualty unearned premium reserves | | | 0 | 0 |
| 7. Aggregate health claim reserves | | | 0 | 0 |
| 8. Premiums received in advance | 2,384,101 | | 2,384,101 | 2,322,375 |
| 9. General expenses due or accrued | 6,070,016 | | 6,070,016 | 1,661,793 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses)) | | | 0 | 0 |
| 10.2 Net deferred tax liability | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others | 172,904 | | 172,904 | 154,521 |
| 13. Remittances and items not allocated | | | 0 | 0 |
| 14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current) | | | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates | 2,369 | | 2,369 | 0 |
| 16. Derivatives | | | 0 | 0 |
| 17. Payable for securities | | | 0 | 0 |
| 18. Payable for securities lending | | | 0 | 0 |
| 19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers) | | | 0 | 0 |
| 20. Reinsurance in unauthorized and certified (\$) companies | | | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 22. Liability for amounts held under uninsured plans | 1,549 | | 1,549 | 607,768 |
| 23. Aggregate write-ins for other liabilities (including \$ current) | 6,704,077 | 0 | 6,704,077 | 4,028,428 |
| 24. Total liabilities (Lines 1 to 23) | 65,107,052 | 0 | 65,107,052 | 54,540,354 |
| 25. Aggregate write-ins for special surplus funds | XXX | XXX | 0 | 0 |
| 26. Common capital stock | XXX | XXX | | 0 |
| 27. Preferred capital stock | XXX | XXX | | 0 |
| 28. Gross paid in and contributed surplus | XXX | XXX | | 0 |
| 29. Surplus notes | XXX | XXX | | 0 |
| 30. Aggregate write-ins for other-than-special surplus funds | XXX | XXX | 550,000 | 550,000 |
| 31. Unassigned funds (surplus) | XXX | XXX | 196,434,804 | 190,820,365 |
| 32. Less treasury stock, at cost: | | | | |
| 32.1 shares common (value included in Line 26 \$) | XXX | XXX | | 0 |
| 32.2 shares preferred (value included in Line 27 \$) | XXX | XXX | | 0 |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | XXX | XXX | 196,984,804 | 191,370,365 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 262,091,856 | 245,910,719 |
| DETAILS OF WRITE-INS | | | | |
| 2301. Post Retirement Benefit Obligations | 3,388,520 | | 3,388,520 | 2,907,066 |
| 2302. Federal Employee Penalty | 2,144,107 | | 2,144,107 | .0 |
| 2303. Salaries & Wages | 1,171,435 | | 1,171,435 | 1,121,347 |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | .15 | 0 | .15 | .15 |
| 2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above) | 6,704,077 | 0 | 6,704,077 | 4,028,428 |
| 2501. | XXX | XXX | | |
| 2502. | XXX | XXX | | |
| 2503. | XXX | XXX | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | XXX | XXX | 0 | 0 |
| 3001. Contingency Reserves | XXX | XXX | 550,000 | 550,000 |
| 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 | 550,000 | 550,000 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year | | Prior Year |
|-----------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------|-------------|
| | 1 Uncovered | 2 Total | 3 Total |
| 1. Member Months..... | XXX | 938,919 | 924,925 |
| 2. Net premium income (including \$0 non-health premium income)..... | XXX | 381,496,117 | 363,521,930 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | | 0 |
| 4. Fee-for-service (net of \$ medical expenses) | XXX | | 0 |
| 5. Risk revenue | XXX | | 0 |
| 6. Aggregate write-ins for other health care related revenues | XXX | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues | XXX | 0 | 0 |
| 8. Total revenues (Lines 2 to 7) | XXX | 381,496,117 | 363,521,930 |
| Hospital and Medical: | | | |
| 9. Hospital/medical benefits | | 251,397,630 | 257,583,538 |
| 10. Other professional services | | 29,340,415 | 20,352,086 |
| 11. Outside referrals | | 30,030 | 0 |
| 12. Emergency room and out-of-area | | 17,476,604 | 16,615,111 |
| 13. Prescription drugs | | 44,923,110 | 39,599,967 |
| 14. Aggregate write-ins for other hospital and medical..... | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts..... | | 189,856 | 0 |
| 16. Subtotal (Lines 9 to 15) | 0 | 343,357,645 | 334,150,702 |
| Less: | | | |
| 17. Net reinsurance recoveries | | 468,400 | 55,138 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 342,889,245 | 334,095,564 |
| 19. Non-health claims (net)..... | | | 0 |
| 20. Claims adjustment expenses, including \$5,815,636 cost containment expenses..... | | 9,062,032 | 6,906,047 |
| 21. General administrative expenses..... | | 29,191,763 | 16,701,527 |
| 22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)..... | | 0 | 0 |
| 23. Total underwriting deductions (Lines 18 through 22) | 0 | 381,143,040 | 357,703,138 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | 353,077 | 5,818,792 |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17)..... | | 5,437,666 | 5,942,668 |
| 26. Net realized capital gains (losses) less capital gains tax of \$ | | 4,954,900 | 1,649,949 |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 10,392,566 | 7,592,617 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)] | | 0 | 0 |
| 29. Aggregate write-ins for other income or expenses | 0 | 140,637 | 37,895 |
| 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 | 10,886,280 | 13,449,304 |
| 31. Federal and foreign income taxes incurred | XXX | | 0 |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | 10,886,280 | 13,449,304 |
| 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. | | | 0 |
| 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. Rental Income..... | | 13,500 | 12,000 |
| 2902. Miscellaneous income..... | | 127,137 | 25,895 |
| 2903. Equipment Disposal (Losses)..... | | | 0 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) | 0 | 140,637 | 37,895 |

STATEMENT OF REVENUE & EXPENSES (Continued)

| | 1 Current Year | 2 Prior Year |
|----------------------------------------------------------------------------------------|-------------------|-----------------|
| CAPITAL & SURPLUS ACCOUNT: | | |
| 33. Capital and surplus prior reporting year | 191,370,365 | 190,003,590 |
| 34. Net income or (loss) from Line 32 | 10,886,280 | 13,449,304 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | .0 |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ | (12,065,973) | (3,915,585) |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | .0 |
| 38. Change in net deferred income tax | | .0 |
| 39. Change in nonadmitted assets | 7,464,118 | (6,386,674) |
| 40. Change in unauthorized and certified reinsurance | | .0 |
| 41. Change in treasury stock | | .0 |
| 42. Change in surplus notes | | .0 |
| 43. Cumulative effect of changes in accounting principles | | (1,780,270) |
| 44. Capital Changes: | | |
| 44.1 Paid in | .0 | .0 |
| 44.2 Transferred from surplus (Stock Dividend) | | .0 |
| 44.3 Transferred to surplus | | .0 |
| 45. Surplus adjustments: | | |
| 45.1 Paid in | .0 | .0 |
| 45.2 Transferred to capital (Stock Dividend) | .0 | .0 |
| 45.3 Transferred from capital | | .0 |
| 46. Dividends to stockholders | | .0 |
| 47. Aggregate write-ins for gains or (losses) in surplus | (669,990) | .0 |
| 48. Net change in capital and surplus (Lines 34 to 47) | 5,614,435 | 1,366,775 |
| 49. Capital and surplus end of reporting year (Line 33 plus 48) | 196,984,800 | 191,370,365 |
| DETAILS OF WRITE-INS | | |
| 4701. | (669,990) | .0 |
| 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) | (669,990) | 0 |

CASH FLOW

| | 1 Current Year | 2 Prior Year |
|-----------------------------------------------------------------------------------------------------------------|-------------------|-----------------|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance..... | 378,868,702 | 366,687,709 |
| 2. Net investment income | 5,714,144 | 5,759,176 |
| 3. Miscellaneous income | 0 | 0 |
| 4. Total (Lines 1 through 3) | 384,582,846 | 372,446,885 |
| 5. Benefit and loss related payments | 340,356,080 | 337,618,836 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 31,591,147 | 26,619,265 |
| 8. Dividends paid to policyholders | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)..... | 0 | 0 |
| 10. Total (Lines 5 through 9) | 371,947,227 | 364,238,101 |
| 11. Net cash from operations (Line 4 minus Line 10) | 12,635,619 | 8,208,784 |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 264,870,644 | 387,280,572 |
| 12.2 Stocks | 31,397,207 | 16,706,786 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 |
| 12.7 Miscellaneous proceeds | 21,333 | 659,177 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 296,289,184 | 404,646,535 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 270,295,192 | 381,466,937 |
| 13.2 Stocks | 20,798,648 | 27,349,387 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 140,074 | 1,347 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 15,654,409 | 234,047 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 306,888,323 | 409,051,718 |
| 14. Net increase (decrease) in contract loans and premium notes | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) | (10,599,139) | (4,405,183) |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | 0 | 0 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 |
| 16.6 Other cash provided (applied)..... | (745,406) | (775,490) |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | (745,406) | (775,490) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)..... | 1,291,074 | 3,028,111 |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year | 15,586,010 | 12,557,899 |
| 19.2 End of year (Line 18 plus Line 19.1) | 16,877,084 | 15,586,010 |

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---------------------------------------------------------------------------------|-------------|---------------------------------------------|------------------------|----------------|----------------|------------------------------------------------|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Net premium income | 381,496,117 | 128,382,158 | 0 | 0 | 0 | 6,374,986 | 140,706,376 | 106,032,597 | 0 | 0 |
| 2. Change in unearned premium reserves and reserve for rate credit | 0 | | | | | | | | | |
| 3. Fee-for-service (net of \$ medical expenses) | 0 | | | | | | | | | XXX |
| 4. Risk revenue | 0 | | | | | | | | | XXX |
| 5. Aggregate write-ins for other health care related revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 6. Aggregate write-ins for other non-health care related revenues | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 7. Total revenues (Lines 1 to 6) | 381,496,117 | 128,382,158 | 0 | 0 | 0 | 6,374,986 | 140,706,376 | 106,032,597 | 0 | 0 |
| 8. Hospital/medical benefits | 251,397,632 | 93,452,116 | | | | 3,393,902 | 108,322,968 | 46,228,646 | | XXX |
| 9. Other professional services | 29,340,416 | 5,428,237 | | | | 2,407,469 | 8,725,995 | 12,778,715 | | XXX |
| 10. Outside referrals | | 30,030 | | | | | | | | XXX |
| 11. Emergency room and out-of-area | 17,476,604 | 4,707,007 | | | | 1,175,891 | 4,691,020 | 6,902,686 | | XXX |
| 12. Prescription drugs | 44,923,110 | 16,521,150 | | | | 1,942,164 | 9,249,475 | 17,210,321 | | XXX |
| 13. Aggregate write-ins for other hospital and medical | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 14. Incentive pool, withhold adjustments and bonus amounts | 189,856 | | | | | | | 189,856 | | XXX |
| 15. Subtotal (Lines 8 to 14) | 343,357,648 | 120,138,540 | 0 | 0 | 0 | 8,919,426 | 130,989,458 | 83,310,224 | 0 | XXX |
| 16. Net reinsurance recoveries | 468,400 | 468,400 | | | | | | | | XXX |
| 17. Total hospital and medical (Lines 15 minus 16) | 342,889,248 | 119,670,140 | 0 | 0 | 0 | 8,919,426 | 130,989,458 | 83,310,224 | 0 | XXX |
| 18. Non-health claims (net) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 19. Claims adjustment expenses including \$ 5,815,636 cost containment expenses | 9,062,033 | 3,049,581 | | | | 151,431 | 3,301,150 | 2,559,871 | | |
| 20. General administrative expenses | 29,191,763 | 9,105,329 | | | | 2,596,007 | 9,851,274 | 7,639,153 | | |
| 21. Increase in reserves for accident and health contracts | 0 | | | | | | | | | XXX |
| 22. Increase in reserves for life contracts | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 23. Total underwriting deductions (Lines 17 to 22) | 381,143,044 | 131,825,050 | 0 | 0 | 0 | 11,666,864 | 144,141,882 | 93,509,248 | 0 | 0 |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23) | 353,073 | (3,442,892) | 0 | 0 | 0 | (5,291,878) | (3,435,506) | 12,523,349 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | |
| 0501. | | | | | | | | | | XXX |
| 0502. | | | | | | | | | | XXX |
| 0503. | | | | | | | | | | XXX |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0601. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0602. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0603. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 0 |
| 1301. | | | | | | | | | | XXX |
| 1302. | | | | | | | | | | XXX |
| 1303. | | | | | | | | | | XXX |
| 1398. Summary of remaining write-ins for Line 13 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

| Line of Business | 1 Direct Business | 2 Reinsurance Assumed | 3 Reinsurance Ceded | 4 Net Premium Income (Cols. 1+2-3) |
|-------------------------------------------------|-------------------------|-----------------------------|---------------------------|---------------------------------------------|
| 1. Comprehensive (hospital and medical) | 129,169,742 | | 787,584 | 128,382,158 |
| 2. Medicare Supplement | | | | .0 |
| 3. Dental only..... | | | | .0 |
| 4. Vision only..... | | | | .0 |
| 5. Federal Employees Health Benefits Plan | 6,414,095 | | 39,109 | 6,374,986 |
| 6. Title XVIII - Medicare | 140,805,930 | | 99,554 | 140,706,376 |
| 7. Title XIX - Medicaid..... | 106,299,315 | | 266,718 | 106,032,597 |
| 8. Other health..... | | | | .0 |
| 9. Health subtotal (Lines 1 through 8) | 382,689,082 | .0 | 1,192,965 | 381,496,117 |
| 10. Life | | | | .0 |
| 11. Property/casualty..... | | | | .0 |
| 12. Totals (Lines 9 to 11) | 382,689,082 | 0 | 1,192,965 | 381,496,117 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|------------------------------------------------------------------------|-------------|------------------------------------------|------------------------|----------------|----------------|-------------------------------------------------|----------------------------|--------------------------|--------------|---------------------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Payments during the year: | | | | | | | | | | |
| 1.1 Direct | 339,985,525 | 120,787,191 | | | | 8,802,040 | 128,833,176 | 81,563,118 | | |
| 1.2 Reinsurance assumed | 0 | | | | | | | | | |
| 1.3 Reinsurance ceded | 3,215 | | | | | | 3,215 | | | |
| 1.4 Net | 339,982,310 | 120,787,191 | 0 | 0 | 0 | 8,802,040 | 128,829,961 | 81,563,118 | 0 | 0 |
| 2. Paid medical incentive pools and bonuses | 0 | | | | | | | | | |
| 3. Claim liability December 31, current year from Part 2A: | | | | | | | | | | |
| 3.1 Direct | 45,708,369 | 15,357,434 | 0 | 0 | 0 | 1,139,678 | 19,816,292 | 9,394,965 | 0 | 0 |
| 3.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.4 Net | 45,708,369 | 15,357,434 | 0 | 0 | 0 | 1,139,678 | 19,816,292 | 9,394,965 | 0 | 0 |
| 4. Claim reserve December 31, current year from Part 2D: | | | | | | | | | | |
| 4.1 Direct | 0 | | | | | | | | | |
| 4.2 Reinsurance assumed | 0 | | | | | | | | | |
| 4.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Accrued medical incentive pools and bonuses, current year | 189,856 | | | | | | | 189,856 | | |
| 6. Net healthcare receivables (a) | 0 | | | | | | | | | |
| 7. Amounts recoverable from reinsurers December 31, current year | 520,322 | 520,322 | | | | | | | | |
| 8. Claim liability December 31, prior year from Part 2A: | | | | | | | | | | |
| 8.1 Direct | 42,526,103 | 16,006,084 | 0 | 0 | 0 | 1,022,293 | 17,660,011 | 7,837,715 | 0 | 0 |
| 8.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.4 Net | 42,526,103 | 16,006,084 | 0 | 0 | 0 | 1,022,293 | 17,660,011 | 7,837,715 | 0 | 0 |
| 9. Claim reserve December 31, prior year from Part 2D: | | | | | | | | | | |
| 9.1 Direct | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Accrued medical incentive pools and bonuses, prior year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Amounts recoverable from reinsurers December 31, prior year | 55,137 | 51,922 | 0 | 0 | 0 | 0 | 3,215 | 0 | 0 | 0 |
| 12. Incurred benefits: | | | | | | | | | | |
| 12.1 Direct | 343,167,791 | 120,138,541 | 0 | 0 | 0 | 8,919,425 | 130,989,457 | 83,120,368 | 0 | 0 |
| 12.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.3 Reinsurance ceded | 468,400 | 468,400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.4 Net | 342,699,391 | 119,670,141 | 0 | 0 | 0 | 8,919,425 | 130,989,457 | 83,120,368 | 0 | 0 |
| 13. Incurred medical incentive pools and bonuses | 189,856 | 0 | 0 | 0 | 0 | 0 | 0 | 189,856 | 0 | 0 |

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

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-------------------------------------------------------|------------|--------------------------------------------|------------------------|----------------|----------------|------------------------------------------------------------|-------------------------|-----------------------|-----------------|---------------------|
| | Total | Comprehensive (Hospital and Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefits Plan Premium | Title XVIII Medicare | Title XIX Medicaid | Other Health | Other Non-Health |
| 1. Reported in Process of Adjustment: | | | | | | | | | | |
| 1.1 Direct | 21,689,639 | 7,966,802 | | | | 590,977 | 8,351,291 | 4,780,569 | | |
| 1.2 Reinsurance assumed | 0 | | | | | | | | | |
| 1.3 Reinsurance ceded | 0 | | | | | | | | | |
| 1.4 Net | 21,689,639 | 7,966,802 | 0 | 0 | 0 | 590,977 | 8,351,291 | 4,780,569 | 0 | 0 |
| 2. Incurred but Unreported: | | | | | | | | | | |
| 2.1 Direct | 24,018,730 | 7,390,632 | | | | 548,701 | 11,465,001 | 4,614,396 | | |
| 2.2 Reinsurance assumed | 0 | | | | | | | | | |
| 2.3 Reinsurance ceded | 0 | | | | | | | | | |
| 2.4 Net | 24,018,730 | 7,390,632 | 0 | 0 | 0 | 548,701 | 11,465,001 | 4,614,396 | 0 | 0 |
| 3. Amounts Withheld from Paid Claims and Capitations: | | | | | | | | | | |
| 3.1 Direct | 0 | | | | | | | | | |
| 3.2 Reinsurance assumed | 0 | | | | | | | | | |
| 3.3 Reinsurance ceded | 0 | | | | | | | | | |
| 3.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. TOTALS: | | | | | | | | | | |
| 4.1 Direct | 45,708,369 | 15,357,434 | 0 | 0 | 0 | 1,139,678 | 19,816,292 | 9,394,965 | 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 | 45,708,369 | 15,357,434 | 0 | 0 | 0 | 1,139,678 | 19,816,292 | 9,394,965 | 0 | 0 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

| Line of Business | Claims Paid During the Year | | Claim Reserve and Claim Liability Dec. 31 of Current Year | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|-----------------------------------------------------|------------------------------------------------------------|-----------------------------------------|-----------------------------------------------------------|-----------------------------------------|-----------------------------------------------------|----------------------------------------------------------------------------|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid December 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) | 15,039,042 | 105,748,149 | 79,336 | 15,278,097 | 15,118,378 | 16,006,085 |
| 2. Medicare Supplement | | | | | 0 | 0 |
| 3. Dental Only..... | | | | | 0 | 0 |
| 4. Vision Only..... | | | | | 0 | 0 |
| 5. Federal Employees Health Benefits Plan | 1,104,810 | 7,697,230 | 5,890 | 1,133,788 | 1,110,700 | 1,022,294 |
| 6. Title XVIII - Medicare | 17,226,475 | 111,606,701 | 40,835 | 19,775,457 | 17,267,310 | 17,660,011 |
| 7. Title XIX - Medicaid..... | 8,368,727 | 73,194,391 | 80,252 | 9,314,713 | 8,448,979 | 7,837,715 |
| 8. Other health | | | | | 0 | 0 |
| 9. Health subtotal (Lines 1 to 8)..... | 41,739,054 | 298,246,471 | 206,313 | 45,502,055 | 41,945,367 | 42,526,105 |
| 10. Healthcare receivables (a)..... | 55,138 | (51,922) | | 520,322 | 55,138 | 55,138 |
| 11. Other non-health..... | | | | | 0 | 0 |
| 12. Medical incentive pools and bonus amounts | | | | 189,856 | 0 | 0 |
| 13. Totals (Lines 9 - 10 + 11 + 12) | 41,683,916 | 298,298,393 | 206,313 | 45,171,589 | 41,890,229 | 42,470,967 |

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

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

Section A – Paid Health Claims - Hospital and Medical

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 423,663 | 423,773 | 423,773 | 423,773 | 423,773 |
| 2. 2010 | 122,882 | 138,526 | 138,543 | 138,543 | 138,543 |
| 3. 2011 | XXX | 133,744 | 152,038 | 152,057 | 152,057 |
| 4. 2012 | XXX | XXX | 138,025 | 155,275 | 155,441 |
| 5. 2013 | XXX | XXX | XXX | 114,257 | 129,130 |
| 6. 2014 | XXX | XXX | XXX | XXX | 105,748 |

Section B – Incurred Health Claims - Hospital and Medical

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 424,086 | 423,773 | 423,773 | 423,733 | 423,733 |
| 2. 2010 | 137,967 | 138,588 | 138,543 | 138,543 | 138,543 |
| 3. 2011 | XXX | 150,084 | 15,205 | 152,057 | 152,057 |
| 4. 2012 | XXX | XXX | 155,149 | 155,288 | 155,441 |
| 5. 2013 | XXX | XXX | XXX | 130,250 | 129,209 |
| 6. 2014 | XXX | XXX | XXX | XXX | 121,026 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--------------------------------------------------------------------|----------------------|----------------------|----------------------------------------------|----------------------------|-------------------------------------------------------------------------|----------------------------|--------------------|----------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------|
| 1. 2010..... | 148,044 | 138,543 | | 0.0 | 138,543 | 93.6 | | | 138,543 | 93.6 |
| 2. 2011..... | 156,174 | 152,057 | | 0.0 | 152,057 | 97.4 | | | 152,057 | 97.4 |
| 3. 2012..... | 158,442 | 155,441 | | 0.0 | 155,441 | 98.1 | | | 155,441 | 98.1 |
| 4. 2013..... | 143,865 | 129,130 | | 0.0 | 129,130 | 89.8 | 79 | | 129,209 | 89.8 |
| 5. 2014..... | 128,382 | 105,748 | 222 | 0.2 | 105,970 | 82.5 | 15,278 | 542 | 121,791 | 94.9 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

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

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 22,643 | 22,643 | 22,643 | 22,643 | 22,643 |
| 2. 2010 | 8,951 | 10,282 | 10,282 | 10,282 | 10,282 |
| 3. 2011 | XXX | 11,029 | 12,467 | 12,467 | 12,467 |
| 4. 2012 | XXX | XXX | 11,093 | 12,215 | 12,215 |
| 5. 2013 | XXX | XXX | XXX | 7,556 | 8,661 |
| 6. 2014 | XXX | XXX | XXX | XXX | 7,697 |

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

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 22,667 | 22,643 | 22,643 | 22,643 | 22,643 |
| 2. 2010 | 10,287 | 10,287 | 10,282 | 10,282 | 10,282 |
| 3. 2011 | XXX | 12,390 | 12,467 | 12,467 | 12,467 |
| 4. 2012 | XXX | XXX | 12,459 | 12,215 | 12,215 |
| 5. 2013 | XXX | XXX | XXX | 8,577 | 8,667 |
| 6. 2014 | XXX | XXX | XXX | XXX | 8,831 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--------------------------------------------------------------------|----------------------|----------------------|----------------------------------------------|----------------------------|-------------------------------------------------------------------------|----------------------------|--------------------|----------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------|
| 1. 2010..... | 10,332 | 10,282 | | 0.0 | 10,282 | 99.5 | | | 10,282 | 99.5 |
| 2. 2011..... | 11,806 | 12,467 | | 0.0 | 12,467 | 105.6 | | | 12,467 | 105.6 |
| 3. 2012..... | 11,866 | 12,215 | | 0.0 | 12,215 | 102.9 | | | 12,215 | 102.9 |
| 4. 2013..... | 9,047 | 8,661 | | 0.0 | 8,661 | 95.7 | 6 | | 8,667 | 95.8 |
| 5. 2014..... | 6,375 | 7,697 | 16 | 0.2 | 7,713 | 121.0 | 1,134 | 40 | 8,887 | 139.4 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

Section A - Paid Health Claims - Medicare

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 479,730 | 479,768 | 479,768 | 479,768 | 479,768 |
| 2. 2010 | 127,074 | 143,558 | 143,558 | 143,558 | 143,558 |
| 3. 2011 | XXX | 123,885 | 141,007 | 141,035 | 141,035 |
| 4. 2012 | XXX | XXX | 124,779 | 140,686 | 140,695 |
| 5. 2013 | XXX | XXX | XXX | 116,431 | 133,649 |
| 6. 2014 | XXX | XXX | XXX | XXX | 111,607 |

Section B - Incurred Health Claims - Medicare

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 479,844 | 479,768 | 479,768 | 479,768 | 479,768 |
| 2. 2010 | 145,599 | 143,586 | 143,558 | 143,558 | 143,558 |
| 3. 2011 | XXX | 141,388 | 141,026 | 141,035 | 141,035 |
| 4. 2012 | XXX | XXX | 140,802 | 140,682 | 140,695 |
| 5. 2013 | XXX | XXX | XXX | 134,095 | 133,690 |
| 6. 2014 | XXX | XXX | XXX | XXX | 131,382 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--------------------------------------------------------------------|----------------------|----------------------|----------------------------------------------|----------------------------|-------------------------------------------------------------------------|----------------------------|--------------------|----------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------|
| 1. 2010 | 168,179 | 143,558 | | 0.0 | 143,558 | 85.4 | | | 143,558 | 85.4 |
| 2. 2011 | 162,660 | 141,035 | | 0.0 | 141,035 | 86.7 | | | 141,035 | 86.7 |
| 3. 2012 | 154,386 | 140,695 | | 0.0 | 140,695 | 91.1 | | | 140,695 | 91.1 |
| 4. 2013 | 137,085 | 133,649 | | 0.0 | 133,649 | 97.5 | 41 | | 133,690 | 97.5 |
| 5. 2014 | 140,706 | 111,607 | 235 | 0.2 | 111,842 | 79.5 | 19,775 | 573 | 132,191 | 93.9 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

Section A - Paid Health Claims - Title XIX Medicaid

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 150,117 | 150,117 | 150,117 | 150,117 | 150,117 |
| 2. 2010 | 38,984 | 43,902 | 44,023 | 44,023 | 44,023 |
| 3. 2011 | XXX | 40,706 | 47,010 | 47,025 | 47,025 |
| 4. 2012 | XXX | XXX | 38,778 | 45,030 | 45,031 |
| 5. 2013 | XXX | XXX | XXX | 52,009 | 60,376 |
| 6. 2014 | XXX | XXX | XXX | XXX | 73,194 |

Section B – Incurred Health Claims - Title XIX Medicaid

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 150,117 | 150,117 | 150,117 | 150,117 | 150,117 |
| 2. 2010 | 44,174 | 43,912 | 44,023 | 44,023 | 44,023 |
| 3. 2011 | XXX | 47,045 | 47,028 | 47,025 | 47,025 |
| 4. 2012 | XXX | XXX | 44,903 | 45,087 | 45,031 |
| 5. 2013 | XXX | XXX | XXX | 59,789 | 60,456 |
| 6. 2014 | XXX | XXX | XXX | XXX | 82,699 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--------------------------------------------------------------------|----------------------|----------------------|----------------------------------------------|----------------------------|-------------------------------------------------------------------------|----------------------------|--------------------|----------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------|
| 1. 2010..... | 53,962 | 44,023 | | 0.0 | 44,023 | 81.6 | | | 44,023 | 81.6 |
| 2. 2011..... | 52,648 | 47,025 | | 0.0 | 47,025 | 89.3 | | | 47,025 | 89.3 |
| 3. 2012..... | 52,838 | 45,031 | | 0.0 | 45,031 | 85.2 | | | 45,031 | 85.2 |
| 4. 2013..... | 74,588 | 60,376 | | 0.0 | 60,376 | 80.9 | 80 | | 60,456 | 81.1 |
| 5. 2014..... | 106,033 | 73,194 | 154 | 0.2 | 73,349 | 69.2 | 9,505 | 376 | 83,229 | 78.5 |

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

Section A - Paid Health Claims - Grand Total

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 1,076,154 | 1,076,301 | 1,076,301 | 1,076,301 | 1,076,301 |
| 2. 2010 | 297,892 | 336,267 | 336,406 | 336,406 | 336,406 |
| 3. 2011 | XXX | 309,364 | 352,522 | 352,583 | 352,583 |
| 4. 2012 | XXX | XXX | 312,675 | 353,205 | 353,382 |
| 5. 2013 | XXX | XXX | XXX | 290,252 | 331,815 |
| 6. 2014 | XXX | XXX | XXX | XXX | 298,246 |

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 2010 | 2 2011 | 3 2012 | 4 2013 | 5 2014 |
| 1. Prior | 1,076,714 | 1,076,301 | 1,076,301 | 1,076,261 | 1,076,261 |
| 2. 2010 | 338,027 | 336,373 | 336,406 | 336,406 | 336,406 |
| 3. 2011 | XXX | 350,907 | 215,726 | 352,583 | 352,584 |
| 4. 2012 | XXX | XXX | 353,313 | 353,272 | 353,382 |
| 5. 2013 | XXX | XXX | XXX | 332,711 | 332,021 |
| 6. 2014 | XXX | XXX | XXX | XXX | 343,938 |

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payments | 3 Claim Adjustment Expense Payments | 4 Col. (3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2+3) | 6 Col. (5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 Col. (9/1) Percent |
|--------------------------------------------------------------------|----------------------|----------------------|----------------------------------------------|----------------------------|-------------------------------------------------------------------------|----------------------------|--------------------|----------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------|
| 1. 2010..... | 380,518 | 336,406 | 0 | 0.0 | 336,406 | 88.4 | 0 | 0 | 336,406 | 88.4 |
| 2. 2011..... | 383,288 | 352,583 | 0 | 0.0 | 352,583 | 92.0 | 0 | 0 | 352,583 | 92.0 |
| 3. 2012..... | 377,532 | 353,382 | 0 | 0.0 | 353,382 | 93.6 | 0 | 0 | 353,382 | 93.6 |
| 4. 2013..... | 364,585 | 331,815 | 0 | 0.0 | 331,815 | 91.0 | 206 | 0 | 332,021 | 91.1 |
| 5. 2014..... | 381,496 | 298,246 | 628 | 0.2 | 298,874 | 78.3 | 45,692 | 1,531 | 346,097 | 90.7 |

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

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

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--------------------------------------------------------------------------------------------------------------|-----------|------------------------------------------|------------------------|-------------|-------------|------------------------------------------------|-------------------------|-----------------------|-------|
| | Total | Comprehensive (Hospital & Medical) | Medicare Supplement | Dental Only | Vision Only | Federal Employees Health Benefit Plan | Title XVIII Medicare | Title XIX Medicaid | Other |
| 1. Unearned premium reserves | .0 | | | | | | | | |
| 2. Additional policy reserves (a) | 496,787 | 496,787 | | | | | | | |
| 3. Reserve for future contingent benefits | .0 | | | | | | | | |
| 4. Reserve for rate credits or experience rating refunds (including \$ for investment income) | .0 | | | | | | | | |
| 5. Aggregate write-ins for other policy reserves | 1,845,694 | .0 | .0 | .0 | .0 | .0 | 1,845,694 | .0 | .0 |
| 6. Totals (gross) | 2,342,481 | 496,787 | .0 | .0 | .0 | .0 | 1,845,694 | .0 | .0 |
| 7. Reinsurance ceded | .0 | | | | | | | | |
| 8. Totals (Net) (Page 3, Line 4) | 2,342,481 | 496,787 | .0 | .0 | .0 | .0 | 1,845,694 | .0 | .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 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .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. Medicare Part D Risk Payable..... | 1,845,694 | | | | | | 1,845,694 | | |
| 0502. | | | | | | | | | |
| 0503. | | | | | | | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) | 1,845,694 | 0 | 0 | 0 | 0 | 0 | 1,845,694 | 0 | 0 |
| 1101. | | | | | | | | | |
| 1102. | | | | | | | | | |
| 1103. | | | | | | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |

(a) Includes \$ premium deficiency reserve.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

| | Claim Adjustment Expenses | | 3 General Administrative Expenses | 4 Investment Expenses | 5 Total |
|--------------------------------------------------------------------------|--------------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------|----------------|
| | 1 Cost Containment Expenses | 2 Other Claim Adjustment Expenses | | | |
| 1. Rent (\$ for occupancy of own building)..... | | | 30,353 | | 30,353 |
| 2. Salaries, wages and other benefits..... | 5,886,946 | 5,576,430 | 9,573,425 | | 21,036,801 |
| 3. Commissions (less \$ ceded plus \$ assumed)..... | | | 1,492,765 | | 1,492,765 |
| 4. Legal fees and expenses..... | | | 2,319,015 | | 2,319,015 |
| 5. Certifications and accreditation fees..... | | | | | 0 |
| 6. Auditing, actuarial and other consulting services..... | | | 1,140,055 | | 1,140,055 |
| 7. Traveling expenses..... | 60,466 | 9,315 | 115,515 | | 185,296 |
| 8. Marketing and advertising..... | 150 | | 2,091,929 | | 2,092,079 |
| 9. Postage, express and telephone..... | | | 1,249,764 | | 1,249,764 |
| 10. Printing and office supplies..... | | | 746,600 | | 746,600 |
| 11. Occupancy, depreciation and amortization..... | | | 747,756 | | 747,756 |
| 12. Equipment..... | | | 677,435 | | 677,435 |
| 13. Cost or depreciation of EDP equipment and software..... | 116,250 | | 890,816 | | 1,007,066 |
| 14. Outsourced services including EDP, claims, and other services..... | 410,449 | 81,474 | 1,681,016 | | 2,172,939 |
| 15. Boards, bureaus and association fees..... | 9,652 | 350 | 143,071 | | 153,073 |
| 16. Insurance, except on real estate..... | | | 309,996 | | 309,996 |
| 17. Collection and bank service charges..... | | | 23,527 | | 23,527 |
| 18. Group service and administration fees..... | (1,209,359) | (675,087) | (3,838,914) | | (5,723,360) |
| 19. Reimbursements by uninsured plans..... | | (2,224,679) | | | (2,224,679) |
| 20. Reimbursements from fiscal intermediaries..... | | | | | 0 |
| 21. Real estate expenses..... | | | 418,641 | | 418,641 |
| 22. Real estate taxes..... | | | 140,042 | | 140,042 |
| 23. Taxes, licenses and fees: | | | | | |
| 23.1 State and local insurance taxes..... | | | | | 0 |
| 23.2 State premium taxes..... | | | 515,002 | | 515,002 |
| 23.3 Regulatory authority licenses and fees..... | | | | | 0 |
| 23.4 Payroll taxes..... | 344,446 | 306,047 | 533,517 | | 1,184,010 |
| 23.5 Other (excluding federal income and real estate taxes)..... | | 103,464 | 4,856,117 | | 4,959,581 |
| 24. Investment expenses not included elsewhere..... | | | 880,012 | | 880,012 |
| 25. Aggregate write-ins for expenses..... | 196,636 | 69,082 | 2,454,308 | 0 | 2,720,026 |
| 26. Total expenses incurred (Lines 1 to 25)..... | 5,815,636 | 3,246,396 | 29,191,763 | 0 | (a) 38,253,795 |
| 27. Less expenses unpaid December 31, current year..... | | 1,531,332 | 6,070,016 | | 7,601,348 |
| 28. Add expenses unpaid December 31, prior year..... | 0 | 1,259,340 | 1,661,793 | 0 | 2,921,133 |
| 29. Amounts receivable relating to uninsured plans, prior year..... | 0 | 0 | 0 | 0 | 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) | 5,815,636 | 2,974,404 | 24,783,540 | 0 | 33,573,580 |
| DETAILS OF WRITE-INS | | | | | |
| 2501. Federal Employee Penalty..... | | | 2,144,107 | | 2,144,107 |
| 2502. Loss adjustment expense..... | 43,811 | 24,456 | 203,724 | | 271,991 |
| 2503. Small Value Equipment..... | 4,838 | 29,173 | 17,459 | | 51,470 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 147,987 | 15,453 | 89,018 | 0 | 252,458 |
| 2599. Totals (Line 2501 through 2503 + 2598)(Line 25 above) | 196,636 | 69,082 | 2,454,308 | 0 | 2,720,026 |

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

EXHIBIT OF NET INVESTMENT INCOME

| | 1 Collected During Year | 2 Earned During Year |
|-------------------------------------------------------------------------|-------------------------------|----------------------------|
| 1. U.S. Government bonds | (a) 426,908 | 369,645 |
| 1.1 Bonds exempt from U.S. tax | (a) | |
| 1.2 Other bonds (unaffiliated) | (a) 3,870,771 | 3,278,299 |
| 1.3 Bonds of affiliates | (a) 0 | |
| 2.1 Preferred stocks (unaffiliated) | (b) 24,157 | 24,157 |
| 2.11 Preferred stocks of affiliates | (b) 0 | |
| 2.2 Common stocks (unaffiliated) | 1,765,565 | 1,765,565 |
| 2.21 Common stocks of affiliates | 0 | |
| 3. Mortgage loans | (c) | |
| 4. Real estate | (d) | |
| 5. Contract loans | | |
| 6. Cash, cash equivalents and short-term investments | (e) 0 | 0 |
| 7. Derivative instruments | (f) | |
| 8. Other invested assets | | |
| 9. Aggregate write-ins for investment income | 0 | 0 |
| 10. Total gross investment income | 6,087,401 | 5,437,666 |
| 11. Investment expenses | | (g) |
| 12. Investment taxes, licenses and fees, excluding federal income taxes | | (g) |
| 13. Interest expense | | (h) |
| 14. Depreciation on real estate and other invested assets | | (i) |
| 15. Aggregate write-ins for deductions from investment income | | 0 |
| 16. Total deductions (Lines 11 through 15) | | 0 |
| 17. Net investment income (Line 10 minus Line 16) | | 5,437,666 |
| 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 \$ accrual of discount less \$ (85,519) amortization of premium and less \$ 612,040 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | 1 Realized Gain (Loss) On Sales or Maturity | 2 Other Realized Adjustments | 3 Total Realized Capital Gain (Loss) (Columns 1 + 2) | 4 Change in Unrealized Capital Gain (Loss) | 5. Change in Unrealized Foreign Exchange Capital Gain (Loss) |
|--------------------------------------------------------------------|---------------------------------------------------------|---------------------------------------|---------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------|
| 1. U.S. Government bonds | 867,898 | | 867,898 | | |
| 1.1 Bonds exempt from U.S. tax | | | 0 | | |
| 1.2 Other bonds (unaffiliated) | 2,593,640 | | 2,593,640 | | |
| 1.3 Bonds of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.1 Preferred stocks (unaffiliated) | 18,816 | 0 | 18,816 | (2,168) | 0 |
| 2.11 Preferred stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.2 Common stocks (unaffiliated) | 1,474,546 | 0 | 1,474,546 | 1,815,470 | 0 |
| 2.21 Common stocks of affiliates | 0 | 0 | 0 | (13,879,275) | 0 |
| 3. Mortgage loans | 0 | 0 | 0 | 0 | 0 |
| 4. Real estate | 0 | 0 | 0 | 0 | 0 |
| 5. Contract loans | 0 | 0 | 0 | 0 | 0 |
| 6. Cash, cash equivalents and short-term investments | 0 | 0 | 0 | 0 | 0 |
| 7. Derivative instruments | 0 | 0 | 0 | 0 | 0 |
| 8. Other invested assets | 0 | 0 | 0 | 0 | 0 |
| 9. Aggregate write-ins for capital gains (losses) | 0 | 0 | 0 | 0 | 0 |
| 10. Total capital gains (losses) | 4,954,900 | 0 | 4,954,900 | (12,065,973) | 0 |
| DETAILS OF WRITE-INS | | | | | |
| 0901. | | | | | |
| 0902. | | | | | |
| 0903. | | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) | 0 | 0 | 0 | 0 | 0 |

EXHIBIT OF NONADMITTED ASSETS

| | 1 | 2 | 3 |
|---------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------|------------------------------------------------------------|
| | Current Year Total Nonadmitted Assets | Prior Year Nonadmitted Assets | Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
| 1. Bonds (Schedule D)..... | 0 | 0 | 0 |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks | 0 | 0 | 0 |
| 2.2 Common stocks | 1,436,222 | 2,167,038 | 730,816 |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens | 0 | 0 | 0 |
| 3.2 Other than first liens | 0 | 0 | 0 |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company | 0 | 0 | 0 |
| 4.2 Properties held for the production of income..... | 0 | 0 | 0 |
| 4.3 Properties held for sale | 0 | 0 | 0 |
| 5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)..... | 0 | 0 | 0 |
| 6. Contract loans | 0 | 0 | 0 |
| 7. Derivatives (Schedule DB)..... | 0 | 0 | 0 |
| 8. Other invested assets (Schedule BA) | 0 | 0 | 0 |
| 9. Receivables for securities | 0 | 0 | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL)..... | 0 | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 1,436,222 | 2,167,038 | 730,816 |
| 13. Title plants (for Title insurers only)..... | 0 | 0 | 0 |
| 14. Investment income due and accrued | 0 | 0 | 0 |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 7,766 | 59,407 | 51,641 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due..... | 0 | 0 | 0 |
| 15.3 Accrued retrospective premiums | 0 | 0 | 0 |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers | 0 | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | 0 | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | 0 | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | 0 | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | 0 | 0 | 0 |
| 18.2 Net deferred tax asset..... | 0 | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | 0 | 0 | 0 |
| 20. Electronic data processing equipment and software | 153,524 | 47,829 | (105,695) |
| 21. Furniture and equipment, including health care delivery assets..... | 138,538 | 192,966 | 54,428 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | 0 | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 0 | 4,232,327 | 4,232,327 |
| 24. Health care and other amounts receivable..... | 3,339,065 | 6,165,280 | 2,826,215 |
| 25. Aggregate write-ins for other-than-invested assets | 1,033,042 | 707,428 | (325,614) |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 6,108,157 | 13,572,275 | 7,464,118 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 | 0 |
| 28. Total (Lines 26 and 27) | 6,108,157 | 13,572,275 | 7,464,118 |
| DETAILS OF WRITE-INS | | | |
| 1101. | | | |
| 1102. | | | |
| 1103. | | | |
| 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. Miscellaneous Accounts Receivable..... | 37,440 | 52,569 | 15,129 |
| 2502. Goodwill..... | 176,467 | 0 | (176,467) |
| 2503. Prepaid Assets..... | 819,135 | 654,859 | (164,276) |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) | 1,033,042 | 707,428 | (325,614) |

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

| Source of Enrollment | Total Members at End of | | | | | 6 Current Year Member Months |
|-------------------------------------------------------------------------|-------------------------|--------------------|---------------------|--------------------|-------------------|------------------------------------|
| | 1 Prior Year | 2 First Quarter | 3 Second Quarter | 4 Third Quarter | 5 Current Year | |
| 1. Health Maintenance Organizations..... | 78,097 | 79,422 | 78,930 | 77,906 | 76,460 | 938,919 |
| 2. Provider Service Organizations..... | .0 | | | | | |
| 3. Preferred Provider Organizations..... | .0 | | | | | |
| 4. Point of Service..... | .0 | | | | | |
| 5. Indemnity Only..... | .0 | | | | | |
| 6. Aggregate write-ins for other lines of business | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total | 78,097 | 79,422 | 78,930 | 77,906 | 76,460 | 938,919 |
| DETAILS OF WRITE-INS | | | | | | |
| 0601. | | | | | | |
| 0602. | | | | | | |
| 0603. | | | | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page..... | .0 | .0 | .0 | .0 | .0 | .0 |
| 0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above) | 0 | 0 | 0 | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of The Health Plan are presented on the basis of accounting practices prescribed or permitted by the West Virginia Department of Insurance.

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

A reconciliation of The Health Plan's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of West Virginia is shown below:

| | State of Domicile | 2014 | 2013 |
|------------------------------------------------------|-------------------|-------------|-------------|
| NET INCOME | | | |
| Company state basis (Page 4, Line 32, Columns 2 & 3) | WV | 10,886,280 | 13,449,304 |
| NAIC SAP (1-2-3=4) | WV | 10,886,280 | 13,449,304 |
| SURPLUS | | | |
| Company state basis (Page 3, Line 33, Columns 3 & 4) | WV | 196,959,594 | 191,370,365 |
| NAIC SAP (5-6-7=8) | WV | 196,959,594 | 191,370,365 |

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

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

C. Accounting Policy

The Health Plan prepares its statutory-basis financial statements in conformity with accounting practices prescribed or permitted by the State of West Virginia Insurance Commission. The State of West Virginia requires that insurance companies domiciled in the State of West Virginia prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the State of West Virginia Insurance Commission.

The more significant variances between statutory accounting practices prescribed or permitted by the State of West Virginia Insurance Commission and accounting principles generally accepted in the United States (GAAP) are as follows:

- Short-term investments are stated at amortized cost.

NOTES TO FINANCIAL STATEMENTS

- Cash, cash equivalents, and short-term investments in the statement of cash flows represent cash balances and investments with initial maturities of one year or less. In accordance with GAAP, the corresponding captions of cash and cash equivalents include cash balances and investments with initial maturities of three months or less.
- Investments in bonds and mandatory redeemable preferred stocks are reported at amortized cost or fair value based on their National Association of Insurance Commissioners (NAIC) rating. Equity investments and bonds rated by the NAIC higher than Level 2 are reported at fair value based on values determined by the Securities Valuation Office (SVO) of the NAIC. Unrealized losses on equity investments and bonds with fair values less than cost to the extent determined to be for other than interest reasons are evaluated for other-than-temporary impairment. For GAAP, unrealized holding gains and losses are reported in operations for those investments designated as trading and as a separate component of net assets for those designated as nontrading unless unrealized losses are determined to be other-than-temporarily impaired. Fair value for GAAP is determined in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820
- All single class and multiclass mortgage-backed/asset-backed securities (e.g., CMOs) are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using either the retrospective or prospective methods. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the undiscounted estimated future cash flows. For GAAP purposes, all securities, purchased or retained, that represent beneficial interests in securitized assets (e.g., CMO, CBO, CDO, CLO, MBS, and ABS securities), other than high-credit-quality securities, are adjusted using the prospective method when there is a change in estimated future cash flows. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the discounted fair value. If high-credit-quality securities are adjusted, the retrospective method is used.
- Investments in real estate are reported net of related obligations rather than on a gross basis in accordance with GAAP. Real estate owned and occupied by the Company is included in investments rather than reported as an operating asset as under GAAP, and investment income and operating expenses for statutory reporting include rent for the Company's occupancy of those properties.
- Certain types of assets are classified as "nonadmitted," including office furniture and fixtures and related accumulated depreciation, computer software and related depreciation, accounts receivable greater than 90 days, prepaid expenses, assets capitalized under capital leases, nonincome-producing investments, pharmacy rebates that do not meet specific criteria, and other assets not specifically identified as an admitted asset within the NAIC's *Accounting Practices and Procedures Manual* are excluded from the accompanying balance sheets and are charged directly to unassigned surplus. In accordance with GAAP, such assets are included in the balance sheet to the extent those assets are not impaired.
- All leases are considered operating leases under statutory accounting principles, whereas, in accordance with GAAP, leases may be accounted for as either operating or capital depending on the terms of the lease.

NOTES TO FINANCIAL STATEMENTS

- The Health Plan's wholly owned subsidiaries, Hometown Health Plan, Hometown HHP Services, Inc. (HHP Services), HP Agency, Inc., and THP Insurance Company, are accounted for on the equity basis with equity earnings recorded as a component of unrealized gains in surplus. In accordance with GAAP, the accounts and operations of these subsidiaries would be consolidated with The Health Plan.
- The accrual for other postretirement benefits excludes the benefit related to nonvested employees. In accordance with GAAP, the accrual for other postretirement benefits includes the benefit for vested and nonvested employees.
- For purposes of calculating the Health Plan's postretirement benefit obligations for 2014, vested participants, current retirees and non-vested participants are included in the valuation, which is also in accordance with GAAP. In addition, as a result of the adoption of SSAP No.92 in 2013, both statutory-basis accounting and GAAP require employers with postretirement benefit plans other than pensions to recognize the funded status (fair value of plan assets less the benefit obligation) of their benefit plans in their balance sheet.
- The NAIC's *Accounting Practices and Procedures Manual* stipulates that goodwill is admitted subject to an aggregate limitation of 10% of the capital and surplus in the most recently filed annual statement excluding EDP equipment, operating system software, net deferred tax assets, and net positive goodwill. However, pursuant to the statutory accounting practices permitted by the State of West Virginia Insurance Commission, goodwill is not admitted in the accompanying balance sheets. In accordance with GAAP, goodwill is amortized over the estimated economic life and is subject to an assessment for impairment if circumstances indicate that a possible impairment has occurred. At December 31, 2014, goodwill related to the acquisition of Vested Health was recorded by The Company, in the amount of \$176,000. This amount has been nonadmitted in full in the accompanying balance sheets.

Investments

Debt investments, which consist of government securities and corporate bonds, are recorded at amortized cost and equity securities are recorded at market value, as determined by the SVO. Premiums and discounts on debt investments are amortized on the effective yield method over the term of the investment. All mortgage-backed/asset-backed securities are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using either the retrospective or prospective methods. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the undiscounted estimated future cash flows.

Realized capital gains and losses are determined on the first-in, first-out cost method. Changes in admitted asset carrying amounts of bonds and common stocks are credited or charged directly to surplus.

The Health Plan continually reviews investments for impairment conditions that indicate that an other-than-temporary decline in market value has occurred. In conducting this review, numerous factors are considered which, individually or in combination, indicate that a decline is other than temporary and that a reduction of the carrying value is required. These factors include specific information pertaining to an individual company or a particular industry and general market conditions that reflect prospects for the economy as a whole.

NOTES TO FINANCIAL STATEMENTS

As a result of the increased credit risk and reduced liquidity in the secondary marketplace for mortgage-backed securities, these products have experienced extreme price volatility and reduced trading activity. Exposure to these securities increases the risk of significant financial losses in the future as a result of the current situation in the financial markets.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash, Cash Equivalents, and Short-Term Investments

Cash, cash equivalents, and short-term investments include demand deposits with financial institutions and highly liquid investments with maturities of one year or less. The Health Plan is required to maintain a \$3,000,000 compensating balance under a banking agreement.

Investments

Debt investments, which consist of government securities and corporate bonds, are recorded at amortized cost and equity securities are recorded at market value, as determined by the SVO. Premiums and discounts on debt investments are amortized on the effective yield method over the term of the investment. All mortgage-backed/asset-backed securities are adjusted for the effects of changes in prepayment assumptions on the related accretion of discount or amortization of premium of such securities using either the retrospective or prospective methods. If it is determined that a decline in fair value is other than temporary, the cost basis of the security is written down to the undiscounted estimated future cash flows.

Limited partnerships include mezzanine debt investments. Limited partnerships are recorded using their audited GAAP equity valuation. In accordance with statutory accounting principles, distributed earnings are recorded as investment income and all undistributed earnings, including unrealized gains and losses are included in the change in net unrealized capital gains and losses.

Realized capital gains and losses are determined on the first-in, first-out cost method. Changes in admitted asset carrying amounts of bonds and common stocks are credited or charged directly to surplus.

The Health Plan's insurance subsidiaries and noninsurance subsidiaries (Hometown HHP Services, Inc. and HP Agency, Inc.) which have no significant ongoing operations other than for The Health Plan and its subsidiaries, are reported in the accompanying balance sheets at their underlying statutory equity. The Health Plan's investments in noninsurance subsidiaries and, beginning in 2007, nonaudited insurance subsidiaries are treated as nonadmitted assets. The net change in the subsidiaries' equity is included in the change in net unrealized gains or losses on investments.

As a result of the increased credit risk and reduced liquidity in the secondary marketplace for mortgage-backed securities, these products have experienced extreme price volatility and reduced trading activity. Exposure to these securities increases the risk of significant financial losses in the future as a result of the current situation in the financial markets.

NOTES TO FINANCIAL STATEMENTS

Investment in Real Estate

Land is recorded at cost. Real estate occupied by The Health Plan and its subsidiaries is reported at depreciated cost. Depreciation is calculated on the straight-line method over the estimated useful lives of the properties, ranging from 7 to 45 years.

Land is reported at cost of \$800,000 at December 31, 2014 and 2013. Real estate, including buildings and improvements, occupied by The Health Plan are recorded at cost of \$7,721,974 and \$7,581,901 less depreciation of \$3,513,980 and \$3,248,403 at December 31, 2014 and 2013 respectively.

Revenue Recognition

Member premiums are recognized as income in the period in which enrollees are entitled to receive health care services. Premiums received prior to the period of coverage are classified as unearned premiums.

The Health Plan provides health care services to Medicare enrollees through the Medicare Plus Program. Payments under this program are based on historical costs of providing the service with adjustments to premiums made subsequent to each contract year for differences between estimated premiums and actual costs, as determined in accordance with Medicare regulations. Amounts received under this program are subject to review and final determination by the Center for Medicare and Medicaid Services (CMS). Provision is made for estimated adjustments in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Medicare Part D Premiums and Expenses

Beginning January 1, 2006, The Health Plan began serving as a plan sponsor offering Medicare Part D prescription drug insurance coverage under a contract with the Centers for Medicare & Medicaid Services (CMS). The CMS premium, the member premium, and the low-income premium subsidy represent payments for The Health Plan's insurance risk coverage under the Medicare Part D program and therefore are recorded as premium revenues in operations. Premium revenues are recognized ratably over the period in which eligible individuals are entitled to receive prescription drug benefits.

Subsidies from CMS represent cost reimbursements under the Medicare Part D program. Amounts received for these subsidies are not reflected as premium revenues, but rather are accounted for as deposits, with the related liability recorded in the balance sheet. Pharmacy benefit costs and administrative costs under the contract are expensed as incurred.

Medical Costs

The Health Plan provides medical care to its members under contracts with various health care providers on a modified fee-for-service and capitation basis with certain provider contracts including provisions for risk sharing. Medical costs payable includes estimates for claims reported, estimated claims costs for claims incurred but unreported, and the estimated adjustment expenses related to those claims as of the balance sheet date. Such estimates also include the cost of services which will continue to be rendered after the balance sheet date when The Health Plan is obligated to render such services in accordance with contract provisions

NOTES TO FINANCIAL STATEMENTS

or regulatory requirements. Adjustments to prior period estimates of medical costs are reflected in the current period.

Medical costs payable represent management's best estimate. There is uncertainty as to whether the actual medical costs payable will conform to the assumptions inherent in the determination of the amount. Because of the uncertainties related to the recording of health care costs, the ultimate settlement of the health care cost estimates may vary significantly from the estimated amounts included in the accompanying financial statements.

Pharmacy Rebates

The Health Plan has pharmaceutical rebate contracts with vendors that manufacture and distribute pharmaceutical products to pharmacies and others that are purchased by Health Plan enrollees. The Health Plan receives a purchase discount in the form of a rebate, which is based on the volume of pharmaceutical products purchased by its enrollees. The estimated rebates are recognized as a reduction of hospital and medical benefit costs included in the statements of revenues, expenses, and changes in surplus in the period in which the rebates are incurred and are later adjusted, as necessary, when the actual rebates are received.

Amounts Retained for Others

Amounts retained for others represents cash held for groups to which the Health Plan provides pension administration services.

Application of New Accounting Standards

The NAIC issued Statement of Statutory Accounting Principles No. 101 (SSAP No. 101), *Income Taxes*, a replacement of SSAP No. 10R and SSAP No. 10, which supersedes current income tax guidance in SSAP No. 10R. SSAP No. 101 incorporates GAAP guidance, and it also includes changes to the three-part admissibility test, including requiring the use of current reporting period's capital and surplus as opposed to prior reporting period's capital and surplus. While The Health Plan is tax-exempt, it can be taxed for certain third-party administration services, which is considered to be unrelated business taxable income. Accordingly, The Health Plan adopted the new standard effective January 1, 2012, and it did not have a material impact on the financial statements.

The Health Plan adopted SSAP No. 92, *Accounting for Postretirement Benefits Other Than Pensions*, on January 1, 2013. SSAP No. 92 supersedes SSAP No. 14, *Postretirement Benefits Other Than Pensions*. The primary purpose of this adopted SSAP is to recognize the funded status of the postretirement benefit plan on the balance sheet. As permitted under the guidance, the Health Plan elected to recognize the entire surplus impact as of January 1, 2013. The impact of the adoption of SSAP No. 92 was a decrease in surplus of \$1.7 million.

NOTES TO FINANCIAL STATEMENTS

2. Accounting Changes and Corrections of Errors:

A. NONE

B. Illustrative Disclosure for Insurers Upon Initial Implementation of Codification:

3. Business Combinations and Goodwill:

The Company purchased a 100% interest in Vested Health on 12/31/2014. Vested Health is a consumer-driven health plan (CDHP) serving brokers, employers, and employees. Products include Health Reimbursement Arrangements (HRA), Retiree HRA, Wellness HRA, Health Savings Accounts (HSA), and Cafeteria Plans (Section 125).

The transaction was accounted for as a statutory purchase. The cost was \$250,000, resulting in goodwill in the amount of \$176,467. Goodwill amortization relating to the purchase of Vested Health was \$0 for the year ended 12/31/2014, due to the purchase being completed on that date.

4. Discontinued Operations:

NONE

5. Investments:

- A. Mortgage Loans, including mezzanine rreal estate loans - NONE
- B. Troubled debt restructuring for creditors- NONE
- C. Reverse Mortgages - NONE
- D. Loan-Backed Securities - NONE
- E. Repurchase Agreements and/or securities lending transactions - NONE
- F. Real estate investments - NONE
- G. Low-Income Housing Tax Credits - NONE

6. Joint Ventures, Partnerships and Limited Liability Companies:

NONE

7. Investment Income:

Due and accrued investment income was excluded from the financial statements on the following basis: Investment income due and accrued with amounts over 90 days past due are excluded, with the exception of mortgage loans which are admitted up to 180 days past due. No amounts were excluded or required to be excluded at December 31, 2014 or 2013.

8. Derivative Instruments:

NONE

9. Income Taxes:

NONE

10. Information Concerning Parent, Subsidiaries and Affiliates:

NOTES TO FINANCIAL STATEMENTS

THP Insurance Company has a management services contract (Contract) with The Health Plan of the Upper Ohio Valley, Inc. The Contract requires THP Insurance Company to pay a fixed percentage of its monthly premium revenue to The Health Plan in return for executive management, administration, marketing, accounting, and claims administration services. For the years ended December 31, 2014 and 2013, THP Insurance Company paid approximately \$4,978,000 and \$6,359,000 respectively, to The Health Plan pursuant to the Contract. In addition, The Health Plan collects premiums for THP Insurance Company, which is settled on a monthly basis.

In 2014 the Administrative Service Agreement between THP Insurance Company and The Health Plan was modified. The percentage of premium revenue to be paid by THP Insurance Company to The Health Plan was reduced from 10% to 3%, retroactive for all of 2014. The change in the Agreement resulted in a refund paid by HPUOV to THP of \$3,318,000 in the fourth quarter of 2014.

11. Debt:

A. Capital Notes

NONE

B. All Other Debt

NONE

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

The Health Plan's employees are covered by a qualified defined contribution pension plan sponsored by the Company.

Effective January 1, 2012, The Health Plan converted its noncontributory defined contribution pension plan into a 401K retirement plan. The 401K plan consists of a 7% fixed employer contribution and a 3% safe harbor employer contribution, with both contributions being based on the employee's salaries and wages. In addition, employees can make optional salary deferred contributions into the plan on a fixed dollar or percentage basis up to the annual IRS limits. The total 401K combined safe harbor and fixed employer contribution expense was approximately \$1,401,000 and \$1,376,000 for the years ended December 31, 2014, and 2013, respectively.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganization:

NONE

14. Contingencies:

NONE

15. Leases:

The Health Plan leases certain office equipment and vehicles. Future minimum payments, by year and in the aggregate of noncancelable operating leases with initial or remaining terms of one year or more consisted of the following at December 31, 2014:

2015

112,998

NOTES TO FINANCIAL STATEMENTS

| | |
|------------------------------|-------------------|
| 2016 | 14,807 |
| 2017 and after | 0 |
| Total minimum lease payments | <u>\$ 127,808</u> |

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

NONE

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

NONE

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

NONE

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

NONE

20. Fair Value Measurements:

On December 5, 2009, the NAIC issued Statement of Statutory Accounting Principles No. 100 (SSAP No. 100), *Fair Value Measurements*, which established a framework for measuring fair value and required specific disclosures regarding assets and liabilities that are measured at fair value. This statement was effective December 31, 2010. The Health Plan elected to adopt SSAP No. 100 as of December 31, 2009.

Included in various investment-related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds when carried at the lower of cost or market. As defined in SSAP No. 100, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SSAP No. 100 establishes a three-level hierarchy for valuing assets and liabilities based on how transparent (observable) the inputs are that are used to determine fair value, with the inputs considered most observable categorized as Level 1 and those that are the least observable categorized as Level 3. For some assets, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. When this is the case, the asset is categorized in the table based on the lowest level input that is significant to the fair value measurement in its entirety. The Health Plan's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the assets being valued

Hierarchy levels are defined by SSAP No. 100 as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets and

NOTES TO FINANCIAL STATEMENTS

liabilities. For The Health Plan, Level 1 inputs are generally quoted for debt or equity securities actively traded in exchange or over-the-counter markets.

- Level 2: Market data obtained from sources independent of the reporting entity (observable inputs). For The Health Plan, Level 2 inputs generally include quoted prices in markets that are not active, quoted prices for similar assets/liabilities, and other observable inputs such as interest rates and yield curves that are generally available at commonly quoted intervals.

- Level 3: The reporting entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). For The Health Plan, Level 3 inputs are used in situations where little or no Level 1 or 2 inputs are available or are inappropriate given the particular circumstances. Level 3 inputs include results from pricing models and discounted cash flow methodologies as well as adjustments to externally quoted prices that are based on management judgment or estimation.

A. (1) Fair Value Measurements at Reporting Date

| <u>Description for each class of asset or liability</u> | <u>(Level 1)</u> | <u>(Level 2)</u> | <u>(Level 3)</u> | <u>Total</u> |
|---------------------------------------------------------|------------------|------------------|------------------|----------------|
| a. Assets at fair value | | | | |
| Perpetual Preferred stock | | | | |
| Industrial and Misc | | \$ 0 | | \$ 0 |
| Parent, Subsidiaries and Affiliates | | | | |
| Total Perpetual Preferred Stock | | \$ 0 | | \$ 0 |
| Bonds | | | | |
| U.S. Governments | \$ 4,189,780 | | | \$ 4,189,780 |
| Industrial and Misc | \$103,665,537 | | | \$ 103,665,537 |
| Hybrid Securities | | | | |
| Parent, Subsidiaries and Affiliates | | | | |
| Total Bonds | \$107,855,317 | | | \$107,855,317 |
| Common Stock | | | | |
| Industrial and Misc | \$ 94,206,586 | | \$ 12,000 | \$ 94,218,586 |
| Parent, Subsidiaries and Affiliates | | | \$21,481,051 | \$ 21,481,051 |
| Total Common Stocks | \$ 94,206,586 | | \$21,493,051 | \$115,699,637 |
| Derivative assets | | | | |
| Interest rate contracts | | | | |
| Foreign exchange contracts | | | | |
| Credit Contracts | | | | |
| Commodity futures contracts | | | | |
| Commodity forward contracts | | | | |
| Total Derivatives | \$ 0 | | | \$ 0 |

NOTES TO FINANCIAL STATEMENTS

| | | | | |
|---------------------------------|----------------------|-------------|---------------------|----------------------|
| Seperate account assets | | | | |
| Total assets at fair value | <u>\$202,061,903</u> | <u>\$ 0</u> | <u>\$21,493,051</u> | <u>\$223,554,954</u> |
| | | | | |
| b. Liabilities at fair value | | | | |
| Derivative liabilities | | | | |
| Total liabilities at fair value | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

21. Other Items:

- A. Extraordinary Items - NONE
- B. Troubled Debt Restructuring - NONE
- C. Other Disclosures (Unusual Items) - NONE
- D. Disclose Uncollectible Assets - NONE
- E. Business Interruption Insurance Recoveries - NONE
- F. State Transferable Tax Credits - NONE
- G. Subprime - Mortgage Risk Exposure - NONE

22. Events Subsequent:

Type II. Nonrecognized Subsequent Events

Effective January 1, 2014, The Health Plan is subject to an annual fee under section 9010 of the Patient Protection and Affordable Care Act (PPACA), which is not deductible for income tax purposes. This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year.

A health insurance entity's portion of the annual 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, 2014. As of December 31, 2014, The Health Plan has written health insurance subject to the PPACA assessment, is conducting health insurance business in 2015, and estimates its portion of the annual health insurance industry fee payable in 2015 to be approximately \$1,148,000.

Management of The Health Plan evaluated events and transactions occurring subsequent to December 31, 2014 through February 27, 2015. No other subsequent events requiring disclosure in the financial statements were identified.

23. Reinsurance:

The Health Plan purchases reinsurance, which provides coverage for catastrophic inpatient hospital claims. Effective as of November 1, 2012, the deductible is \$400,000 for commercial products and \$350,000 for government products. The Health Plan is contingently liable for reinsured losses to the extent that the reinsurance company cannot meet its obligations under the reinsurance contract.

Reinsurance expenses of approximately \$1,193,000 and \$1,008,000 in 2014 and 2013, respectively, are included in the statements of revenues, expenses, and changes in surplus as a reduction of member premiums.

NOTES TO FINANCIAL STATEMENTS

Reinsurance recoveries of approximately \$468,000 and \$55,000 in 2014 and 2013, respectively, are included in the statements of revenues, expenses, and changes in surplus as a reduction of medical costs expense.

Neither The Health Plan nor any of its related parties control, directly or indirectly, any direct reinsurers with whom The Health Plan conducts business. No policies issued by The Health Plan have been reinsured with a foreign company, which is controlled, either directly or indirectly, by a party not primarily engaged in the business of insurance. The Health Plan does not have any reinsurance agreements in effect, under which the reinsurer may unilaterally cancel the agreement.

24. Retrospectively Rated Contracts:

NONE

25. Change in Incurred Claims and Claim Adjustment Expenses:

The following table provides a reconciliation of the beginning and ending reserve balances for medical costs payable for the years ended December 31, 2014 and 2013:

| | 2014 | 2013 |
|---------------------------------------------------------------------------------------|-------------|-------------|
| Medical costs payable, net of reinsurance receivable, at beginning of year | 36,305,686 | 39,828,958 |
| Add provision for medical costs occurring in: | | |
| Current year | 343,469,980 | 334,128,219 |
| Prior years | (580,735) | (32,657) |
| Net incurred medical costs during the current year | 342,899,245 | 334,095,562 |
| Deduct payments for medical costs occurring in: | | |
| Current year | 298,298,389 | 297,027,297 |
| Prior years | 39,047,562 | 40,591,537 |
| Net medical cost payments during the current year | 337,345,951 | 337,618,834 |
| Medical costs payable, net of reinsurance and nonadmitted pharmacy rebates receivable | 41,848,980 | 36,305,686 |
| Reinsurance receivable | 520,322 | 55,138 |
| Nonadmitted pharmacy rebates receivable | 3,339,065 | 6,165,280 |
| Medical costs payable at end of year | 45,708,367 | 42,526,104 |

26. Intercompany Pooling Arrangements:

NONE

27. Structured Settlements:

NONE

NOTES TO FINANCIAL STATEMENTS

28. Healthcare Receivables:

NONE

29. Participating Policies:

NONE

30. Premium Deficiency:

Premium deficiency reserves are established for the amount of anticipated losses, loss adjustment expenses, commissions and other acquisition costs, and maintenance costs that have not previously been expensed in excess of the recorded unearned premium reserve and future installment premiums on existing policies. The Health Plan does not consider anticipated investment income when calculating its premium deficiency. Premium deficiency reserves were \$2,342,000 and \$1,980,000 at December 31, 2014 and 2013, respectively.

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 [X] No []
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] NA []
- 1.3 State Regulating? West Virginia.....
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2012
- 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.03/31/2014
- 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).04/17/2014
- 3.4 By what department or departments? West Virginia Department of Insurance.....
- 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 [X] No [] NA []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No [X]
- 4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [X]
- 4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

| 1 Nationality | 2 Type of Entity |
|------------------|---------------------|
| | |
| | |
| | |
| | |

GENERAL INTERROGATORIES

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

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

- 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Dixon Hughes Goodman LLP, 1829 Eastchester Drive, High Point, NC 27265.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?..... Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?..... Yes [X] No [] NA []
- 10.6 If the response to 10.5 is no or n/a, please explain
.....
- 11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?.....
Dave Bond, FSA, MAAA, CCRC Actuaries, 415 Main Street, Reisterstown, MD 21136.....
- 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 [] NA []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 - a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - c. Compliance with applicable governmental laws, rules and regulations;
 - d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended?..... Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s)
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers?..... Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers .. \$.....0
 - 20.12 To stockholders not officers ... \$.....0
 - 20.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers ... \$.....0
 - 20.22 To stockholders not officers ... \$.....0
 - 20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....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 [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
N/A
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....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 [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2..... \$.....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

GENERAL INTERROGATORIES

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [] No [X]
- 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 to sale – excluding FHLB Capital Stock..... | \$..... | 0 |
| 25.27 FHLB Capital Stock..... | \$..... | 0 |
| 25.28 On deposit with states..... | \$..... | 0 |
| 25.29 On deposit with other regulatory bodies..... | \$..... | 0 |
| 25.30 Pledged as collateral – excluding collateral pledged to an FHLB..... | \$..... | 0 |
| 25.31 Pledged as collateral to FHLB – including assets backing funding agreements..... | \$..... | 0 |
| 25.32 Other..... | \$..... | 0 |

25.3 For category (25.26) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |
| | | |
| | | |

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [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 |
|---------------------------|------------------------------------------|
| JP Morgan Chase..... | 2 Bae Mar Place, Wheeling, WV 26003..... |
| US Bank..... | Cincinnati OH..... |

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 [X] No []
- 28.04 If yes, give full and complete information relating thereto:

| 1 Old Custodian | 2 New Custodian | 3 Date of Change | 4 Reason |
|--------------------|--------------------|---------------------|-------------------|
| JP Morgan..... | US Bank..... | ..12/01/2014.. | Service/Cost..... |

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

| 1 Central Registration Depository Number(s) | 2 Name | 3 Address |
|------------------------------------------------|----------------------------|-------------------------------------------------------|
| | Chase Investments..... | 300 Preston Ave., Charlottesville, VA 22902..... |
| | Kornitzer Capital..... | Shawnee Mission, KS 66201..... |
| | JP Morgan..... | 2 Bae Mar Place, Wheeling, WV 26003..... |
| | TCW..... | 11100 Santa Monica Blvd., LA, CA..... |
| | Logan Circle Partners..... | 1717 Arch St., Suite 1500 Philadelphia, PA 19103..... |
| | Mackay Shields..... | 9 W. 57th St., 33rd Floor, NY, NY 10019..... |

GENERAL INTERROGATORIES

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

| 1 CUSIP # | 2 Name of Mutual Fund | 3 Book/Adjusted Carrying Value |
|---------------------------|-------------------------------------------------|-----------------------------------|
| 29.2001. 256206-10-3..... | Dodge & Cox Funds International Stock Fund..... | 18,250,342 |
| 29.2999 TOTAL | | 18,250,342 |

- 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..... | 107,721,791 | 107,855,317 | 133,526 |
| 30.2 Preferred Stocks..... | 0 | 0 | 0 |
| 30.3 Totals | 107,721,791 | 107,855,317 | 133,526 |

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

Custodian statements and the SVO.....

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [] 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 Securities Valuation Office been followed? Yes [] No []
- 32.2 If no, list exceptions:
-

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any?.....\$3,300

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

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |
| | |
| | |

34.1 Amount of payments for legal expenses, if any?.....\$333,766

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

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |
| | |
| | |

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

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

| 1 Name | 2 Amount Paid |
|-----------|------------------|
| | |
| | |
| | |

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U. S. business only. \$0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$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 | \$ | 381,496,117 | \$ | 363,521,930 | |
| 2.2 Premium Denominator | \$ | 381,496,117 | \$ | 363,521,930 | |
| 2.3 Premium Ratio (2.1/2.2) | | 1.000 | | 1.000 | |
| 2.4 Reserve Numerator | \$ | 48,240,704 | \$ | 44,506,129 | |
| 2.5 Reserve Denominator | \$ | 48,240,704 | \$ | 44,506,129 | |
| 2.6 Reserve Ratio (2.4/2.5) | | 1.000 | | 1.000 | |

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]

3.2 If yes, give particulars:

- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] 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 \$400,000
- 5.32 Medical Only \$
- 5.33 Medicare Supplement \$
- 5.34 Dental and Vision \$
- 5.35 Other Limited Benefit Plan \$
- 5.36 Other \$

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:
The Health Plan has an agreement with its reinsurer that in the event of insolvency it will provide continuation of coverage.

- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No []
- 7.2 If no, give details

8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year 16,870
- 8.2 Number of providers at end of reporting year 18,570

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

- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months
- 9.22 Business with rate guarantees over 36 months

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?..... Yes [] No []
- 10.2 If yes:
- | | | | |
|--|-----------------------------------------------------|----------|--|
| | 10.21 Maximum amount payable bonuses | \$ | |
| | 10.22 Amount actually paid for year bonuses | \$ | |
| | 10.23 Maximum amount payable withholds | \$ | |
| | 10.24 Amount actually paid for year withholds | \$ | |
- 11.1 Is the reporting entity organized as:
- | | | | |
|--|-----------------------------------------------------------|--|-----------------------------------------------------------------------------|
| | 11.12 A Medical Group/Staff Model, | | Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] |
| | 11.13 An Individual Practice Association (IPA), or, | | Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] |
| | 11.14 A Mixed Model (combination of above)?..... | | Yes [<input type="checkbox"/>] No [<input checked="" type="checkbox"/>] |
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements? Yes [] No []
- 11.3 If yes, show the name of the state requiring such net worth.
 West Virginia
- 11.4 If yes, show the amount required. \$2,000,000
- 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
12. List service areas in which reporting entity is licensed to operate:

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

| 1 Name of Service Area |
|---------------------------|
| BARBOUR, WV..... |
| BERKELEY, WV..... |
| BOONE, WV..... |
| BRAXTON, WV..... |
| BROOKE, WV..... |
| CABELL, WV..... |
| CALHOUN, WV..... |
| CLAY, WV..... |
| DODDRIDGE, WV..... |
| FAYETTE, WV..... |
| GILMER, WV..... |
| GRANT, WV..... |
| GREENBRIER, WV..... |
| HAMPSHIRE, WV..... |
| HANCOCK, WV..... |
| HARDY, WV..... |
| HARRISON, WV..... |
| JACKSON, WV..... |
| JEFFERSON, WV..... |
| KANAWHA, WV..... |
| LEWIS, WV..... |
| LINCOLN, WV..... |
| LOGAN, WV..... |
| MARION, WV..... |
| MARSHALL, WV..... |
| MASON, WV..... |
| MERCER, WV..... |
| MINERAL, WV..... |
| MINGO, WV..... |
| MONANGALIA, WV..... |
| MONROE, WV..... |
| MORGAN, WV..... |
| MCDOWELL, WV..... |
| NICHOLAS, WV..... |
| OHIO, WV..... |
| PENDLETON, WV..... |
| PLEASANTS, WV..... |
| POCAHONTAS, WV..... |
| PRESTON, WV..... |
| PUTNAM, WV..... |
| RALEIGH, WV..... |
| RANDOLPH, WV..... |
| RITCHIE, WV..... |
| ROANE, WV..... |
| SUMMERS, WV..... |
| TAYLOR, WV..... |
| TUCKER, WV..... |
| TYLER, WV..... |
| UPSHUR, WV..... |
| WAYNE, WV..... |
| WEBSTER, WV..... |
| WETZEL, WV..... |
| WIRT, WV..... |
| WOOD, WV..... |
| WYOMING, WV..... |
| ASHLAND, OH..... |
| BELMONT, OH..... |
| CARROLL, OH..... |
| COLUMBIANA, OH..... |
| COSHOCTON, OH..... |
| CUYAHOGA, OH..... |
| GEAUGA, OH..... |
| GUERNSEY, OH..... |
| HARRISON, OH..... |
| HOLMES, OH..... |
| JEFFERSON, OH..... |
| KNOX, OH..... |
| LORAIN, OH..... |
| MAHONING, OH..... |
| MEDINA, OH..... |
| MONROE, OH..... |
| MUSKINGHAM, OH..... |
| NOBLE, OH..... |
| PORTAGE, OH..... |
| RICHLAND, OH..... |
| STARK, OH..... |

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

| 1 Name of Service Area |
|---------------------------|
| SUMMIT, OH..... |
| TRUMBULL, OH..... |
| TUSCARAWAS, OH..... |
| WASHINGTON, OH..... |
| WAYNE, OH..... |

- 13.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$.....
- 13.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$.....
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?..... Yes [] No [X] NA []
- 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 |
| | | | | | | |
| | | | | | | |

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 \$381,496,117
- 15.2 Total Incurred Claims..... \$343,357,648
- 15.3 Number of Covered Lives.....938,919

*Ordinary Life Insurance Includes

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

FIVE-YEAR HISTORICAL DATA

| | 1 2014 | 2 2013 | 3 2012 | 4 2011 | 5 2010 |
|----------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Balance Sheet (Pages 2 and 3) | | | | | |
| 1. Total admitted assets (Page 2, Line 28) | 262,091,852 | 245,910,722 | 243,107,634 | 235,646,427 | 226,841,016 |
| 2. Total liabilities (Page 3, Line 24) | 65,107,052 | 54,540,354 | 53,104,047 | 55,924,259 | 51,152,688 |
| 3. Statutory surplus | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 | 2,000,000 |
| 4. Total capital and surplus (Page 3, Line 33) | 196,984,804 | 191,370,365 | 190,003,590 | 179,722,168 | 175,688,328 |
| Income Statement (Page 4) | | | | | |
| 5. Total revenues (Line 8) | 381,496,117 | 363,521,930 | 376,855,825 | 383,288,141 | 380,517,968 |
| 6. Total medical and hospital expenses (Line 18) | 342,889,245 | 334,095,564 | 353,407,846 | 350,057,003 | 337,713,404 |
| 7. Claims adjustment expenses (Line 20) | 9,062,032 | 6,906,047 | 6,907,692 | 6,354,379 | 6,254,067 |
| 8. Total administrative expenses (Line 21) | 29,191,763 | 16,701,527 | 18,201,233 | 19,668,873 | 18,521,925 |
| 9. Net underwriting gain (loss) (Line 24) | 353,077 | 5,818,792 | (1,660,946) | 7,207,886 | 18,028,572 |
| 10. Net investment gain (loss) (Line 27) | 10,392,566 | 7,592,617 | 10,426,040 | 9,666,271 | 16,304,590 |
| 11. Total other income (Lines 28 plus 29) | 140,637 | 37,895 | 6,900 | 5,569,958 | 81,958 |
| 12. Net income or (loss) (Line 32) | 10,886,280 | 13,449,304 | 8,771,994 | 22,444,115 | 34,415,120 |
| Cash Flow (Page 6) | | | | | |
| 13. Net cash from operations (Line 11) | 12,635,619 | 8,208,784 | 229,420 | 24,960,538 | 21,164,522 |
| Risk - Based Capital Analysis | | | | | |
| 14. Total adjusted capital | 196,984,804 | 191,370,365 | 190,003,590 | 179,722,168 | 175,688,328 |
| 15. Authorized control level risk-based capital | 22,771,940 | 22,761,409 | 21,049,063 | 21,345,200 | 18,071,306 |
| Enrollment (Exhibit 1) | | | | | |
| 16. Total members at end of period (Column 5, Line 7) | 76,460 | 78,097 | 80,783 | 81,072 | 82,732 |
| 17. Total members months (Column 6, Line 7) | 938,919 | 924,925 | 961,770 | 989,617 | 986,447 |
| Operating Percentage (Page 4) | | | | | |
| (Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0 | | | | | |
| 18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 19. Total hospital and medical plus other non-health (Lines 18 plus Line 19) | 89.9 | 91.9 | 93.8 | 91.3 | 88.8 |
| 20. Cost containment expenses | 1.5 | 1.2 | 1.2 | 1.1 | 1.1 |
| 21. Other claims adjustment expenses | 0.9 | 0.7 | 0.6 | 0.5 | 0.5 |
| 22. Total underwriting deductions (Line 23) | 99.9 | 98.4 | 100.4 | 98.1 | 95.3 |
| 23. Total underwriting gain (loss) (Line 24) | 0.1 | 1.6 | (0.4) | 1.9 | 4.7 |
| Unpaid Claims Analysis | | | | | |
| (U&I Exhibit, Part 2B) | | | | | |
| 24. Total claims incurred for prior years (Line 13, Col. 5) | 41,890,229 | 39,796,303 | 43,349,908 | 38,628,729 | 40,442,009 |
| 25. Estimated liability of unpaid claims—[prior year (Line 13, Col. 6)] | 42,470,967 | 39,828,961 | 41,648,691 | 39,478,507 | 39,913,433 |
| Investments In Parent, Subsidiaries and Affiliates | | | | | |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) | 0 | 0 | 0 | 0 | 0 |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) | 21,481,051 | 17,065,021 | 21,184,558 | 23,364,745 | 19,229,106 |
| 29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) | 0 | 0 | 0 | 0 | 0 |
| 30. Affiliated mortgage loans on real estate | 0 | 0 | 0 | 0 | 0 |
| 31. All other affiliated | 0 | 0 | 0 | 0 | 0 |
| 32. Total of above Lines 26 to 31 | 21,481,051 | 17,065,021 | 21,184,558 | 23,364,745 | 19,229,106 |
| 33. Total investment in parent included in Lines 26 to 31 above | 0 | 0 | 0 | 0 | 0 |

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

Yes [] No []

If no, please explain

N/A.....

ANNUAL STATEMENT FOR THE YEAR 2014 OF THE The Health Plan of the Upper Ohio Valley, Inc.

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

| State, Etc. | 1 Active Status | Direct Business Only | | | | | | | 9 Deposit-Type Contracts | |
|----------------------------------------------------------------------|--------------------|---------------------------------|---------------------------|-------------------------|--------------------------------------------------------|-----------------------------------------------------|---------------------------------|--------------------------------|-----------------------------|---|
| | | 2 Accident & Health Premiums | 3 Medicare Title XVIII | 4 Medicaid Title XIX | 5 Federal Employees Health Benefit Program Premiums | 6 Life & Annuity Premiums & Other Considerations | 7 Property/Casualty Premiums | 8 Total Columns 2 Through 7 | | |
| 1. Alabama | AL | N | | | | | | | 0 | 0 |
| 2. Alaska | AK | N | | | | | | | 0 | 0 |
| 3. Arizona | AZ | N | | | | | | | 0 | 0 |
| 4. Arkansas | AR | N | | | | | | | 0 | 0 |
| 5. California | CA | N | | | | | | | 0 | 0 |
| 6. Colorado | CO | N | | | | | | | 0 | 0 |
| 7. Connecticut | CT | N | | | | | | | 0 | 0 |
| 8. Delaware | DE | N | | | | | | | 0 | 0 |
| 9. Dist. Columbia | DC | N | | | | | | | 0 | 0 |
| 10. Florida | FL | N | | | | | | | 0 | 0 |
| 11. Georgia | GA | N | | | | | | | 0 | 0 |
| 12. Hawaii | HI | N | | | | | | | 0 | 0 |
| 13. Idaho | ID | N | | | | | | | 0 | 0 |
| 14. Illinois | IL | N | | | | | | | 0 | 0 |
| 15. Indiana | IN | N | | | | | | | 0 | 0 |
| 16. Iowa | IA | N | | | | | | | 0 | 0 |
| 17. Kansas | KS | N | | | | | | | 0 | 0 |
| 18. Kentucky | KY | N | | | | | | | 0 | 0 |
| 19. Louisiana | LA | N | | | | | | | 0 | 0 |
| 20. Maine | ME | N | | | | | | | 0 | 0 |
| 21. Maryland | MD | N | | | | | | | 0 | 0 |
| 22. Massachusetts | MA | N | | | | | | | 0 | 0 |
| 23. Michigan | MI | N | | | | | | | 0 | 0 |
| 24. Minnesota | MN | N | | | | | | | 0 | 0 |
| 25. Mississippi | MS | N | | | | | | | 0 | 0 |
| 26. Missouri | MO | N | | | | | | | 0 | 0 |
| 27. Montana | MT | N | | | | | | | 0 | 0 |
| 28. Nebraska | NE | N | | | | | | | 0 | 0 |
| 29. Nevada | NV | N | | | | | | | 0 | 0 |
| 30. New Hampshire | NH | N | | | | | | | 0 | 0 |
| 31. New Jersey | NJ | N | | | | | | | 0 | 0 |
| 32. New Mexico | NM | N | | | | | | | 0 | 0 |
| 33. New York | NY | N | | | | | | | 0 | 0 |
| 34. North Carolina | NC | N | | | | | | | 0 | 0 |
| 35. North Dakota | ND | N | | | | | | | 0 | 0 |
| 36. Ohio | OH | L | 51,500,212 | 92,771,512 | | 1,470,481 | | | 145,742,205 | 0 |
| 37. Oklahoma | OK | N | | | | | | | 0 | 0 |
| 38. Oregon | OR | N | | | | | | | 0 | 0 |
| 39. Pennsylvania | PA | N | | | | | | | 0 | 0 |
| 40. Rhode Island | RI | N | | | | | | | 0 | 0 |
| 41. South Carolina | SC | N | | | | | | | 0 | 0 |
| 42. South Dakota | SD | N | | | | | | | 0 | 0 |
| 43. Tennessee | TN | N | | | | | | | 0 | 0 |
| 44. Texas | TX | N | | | | | | | 0 | 0 |
| 45. Utah | UT | N | | | | | | | 0 | 0 |
| 46. Vermont | VT | N | | | | | | | 0 | 0 |
| 47. Virginia | VA | N | | | | | | | 0 | 0 |
| 48. Washington | WA | N | | | | | | | 0 | 0 |
| 49. West Virginia | WV | L | 77,669,531 | 48,034,418 | 106,299,315 | 4,943,614 | | | 236,946,878 | 0 |
| 50. Wisconsin | WI | N | | | | | | | 0 | 0 |
| 51. Wyoming | WY | N | | | | | | | 0 | 0 |
| 52. American Samoa | AS | N | | | | | | | 0 | 0 |
| 53. Guam | GU | N | | | | | | | 0 | 0 |
| 54. Puerto Rico | PR | N | | | | | | | 0 | 0 |
| 55. U.S. Virgin Islands | VI | N | | | | | | | 0 | 0 |
| 56. Northern Mariana Islands | MP | N | | | | | | | 0 | 0 |
| 57. Canada | CAN | N | | | | | | | 0 | 0 |
| 58. Aggregate other alien | OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | XXX | 129,169,743 | 140,805,930 | 106,299,315 | 6,414,095 | 0 | 0 | 0 | 382,689,083 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans | XXX | | | | | | | | 0 | 0 |
| 61. Total (Direct Business) | (a) | 2 | 129,169,743 | 140,805,930 | 106,299,315 | 6,414,095 | 0 | 0 | 382,689,083 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | |
| 58001. | XXX | | | | | | | | | |
| 58002. | XXX | | | | | | | | | |
| 58003. | XXX | | | | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

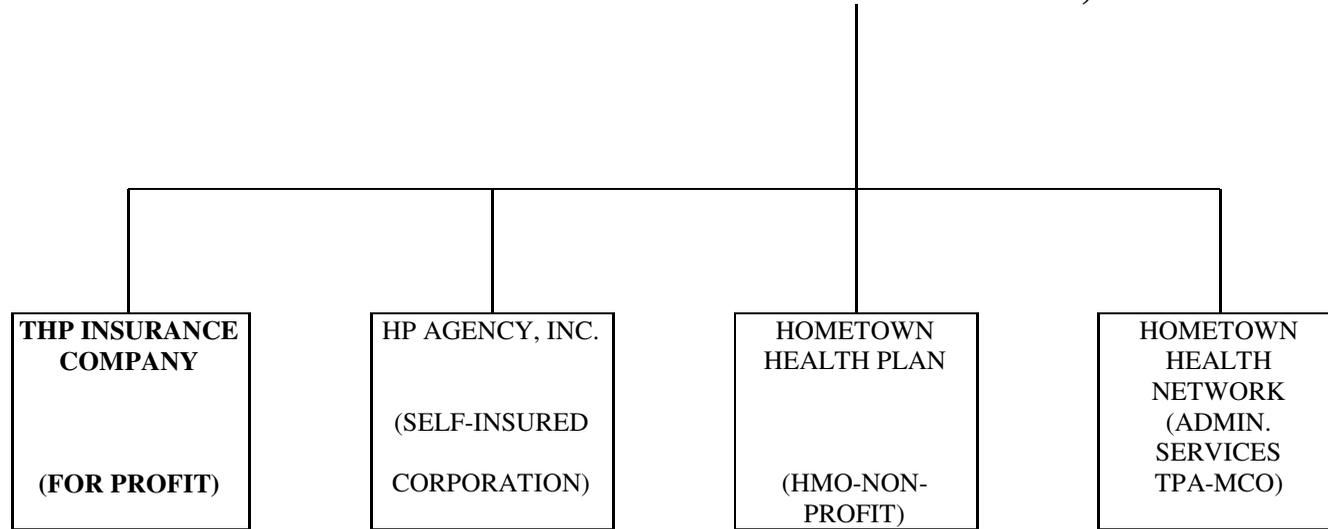
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

**THE HEALTH PLAN OF
THE UPPER OHIO VALLEY, INC.**



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