



## 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) .....				
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common Stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....65,646,259, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) .....	65,646,259		65,646,259	11,668,385
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....				
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	65,646,259		65,646,259	11,668,385
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....				
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	30,786		30,786	40,750
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	4,032,491		4,032,491	522,124
16.2 Funds held by or deposited with reinsured companies .....				
16.3 Other amounts receivable under reinsurance contracts .....				
17. Amounts receivable relating to uninsured plans .....				
18.1 Current federal and foreign income tax recoverable and interest thereon .....				
18.2 Net deferred tax asset .....				
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				2,524,452
24. Health care (\$.....667,402) and other amounts receivable .....	1,461,490	794,088	667,402	131,520
25. Aggregate write-ins for other than invested assets .....	17,408	17,408		
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	71,188,434	811,496	70,376,938	14,887,231
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	71,188,434	811,496	70,376,938	14,887,231
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....				
2501. Prepaid Expenses .....	17,408	17,408		
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	17,408	17,408		

## LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....3,035,305 reinsurance ceded) .....	16,966,122		16,966,122	2,981,571
2. Accrued medical incentive pool and bonus amounts .....				
3. Unpaid claims adjustment expenses .....	380,980		380,980	63,837
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....	28,964,223		28,964,223	810,305
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserves .....				
7. Aggregate health claim reserves .....	8,460,433		8,460,433	
8. Premiums received in advance .....				1,772,871
9. General expenses due or accrued .....	2,903,394		2,903,394	623,696
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....	809,609		809,609	146,744
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....	1,817,057		1,817,057	3,905,530
16. Derivatives .....				
17. Payable for securities .....				
18. Payable for securities lending .....				
19. Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20. Reinsurance in unauthorized and certified (\$.....0) companies .....				
21. Net adjustments in assets and liabilities due to foreign exchange rates .....				
22. Liability for amounts held under uninsured plans .....				
23. Aggregate write-ins for other liabilities (including \$.....0 current) .....				
24. TOTAL Liabilities (Lines 1 to 23) .....	60,301,818		60,301,818	10,304,554
25. Aggregate write-ins for special surplus funds .....	X X X	X X X		
26. Common capital stock .....	X X X	X X X	700,000	700,000
27. Preferred capital stock .....	X X X	X X X		
28. Gross paid in and contributed surplus .....	X X X	X X X	41,688,309	20,388,309
29. Surplus notes .....	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31. Unassigned funds (surplus) .....	X X X	X X X	(32,313,189)	(16,505,632)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33. TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	10,075,120	4,582,677
34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) .....	X X X	X X X	70,376,938	14,887,231
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				
2501. ....	X X X	X X X		
2502. ....	X X X	X X X		
2503. ....	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		
3001. ....	X X X	X X X		
3002. ....	X X X	X X X		
3003. ....	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	275,451	27,789
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	82,007,699	9,027,091
3. Change in unearned premium reserves and reserve for rate credits .....	X X X		
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X		
5. Risk revenue .....	X X X		
6. Aggregate write-ins for other health care related revenues .....	X X X		
7. Aggregate write-ins for other non-health revenues .....	X X X		
8. TOTAL Revenues (Lines 2 to 7) .....	X X X	82,007,699	9,027,091
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		56,509,608	6,706,027
10. Other professional services .....		3,000,495	229,168
11. Outside referrals .....			
12. Emergency room and out-of-area .....		1,049,299	21,521
13. Prescription drugs .....		17,628,891	1,553,444
14. Aggregate write-ins for other hospital and medical .....			
15. Incentive pool, withhold adjustments and bonus amounts .....			
16. Subtotal (Lines 9 to 15) .....		78,188,293	8,510,160
<b>Less:</b>			
17. Net reinsurance recoveries .....		7,042,620	892,021
18. TOTAL Hospital and Medical (Lines 16 minus 17) .....		71,145,673	7,618,139
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$.....5,481,022 cost containment expenses .....		7,084,206	2,424,510
21. General administrative expenses .....		18,922,554	11,968,469
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....			
23. TOTAL Underwriting Deductions (Lines 18 through 22) .....		97,152,433	22,011,118
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	(15,144,734)	(12,984,027)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		564	
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			
27. Net investment gains (losses) (Lines 25 plus 26) .....		564	
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....			
29. Aggregate write-ins for other income or expenses .....			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X	(15,144,170)	(12,984,027)
31. Federal and foreign income taxes incurred .....	X X X		
32. Net income (loss) (Lines 30 minus 31) .....	X X X	(15,144,170)	(12,984,027)
<b>DETAILS OF WRITE-INS</b>			
0601. ....	X X X		
0602. ....	X X X		
0603. ....	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X		
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X		
0701. ....	X X X		
0702. ....	X X X		
0703. ....	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X		
0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....	X X X		
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
2901. interest Income .....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....			
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....			

## STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33.	Capital and surplus prior reporting year .....	4,582,677	3,580,526
34.	Net income or (loss) from Line 32 .....	(15,144,170)	(12,984,027)
35.	Change in valuation basis of aggregate policy and claim reserves .....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....		
37.	Change in net unrealized foreign exchange capital gain or (loss) .....		
38.	Change in net deferred income tax .....		
39.	Change in nonadmitted assets .....	(663,387)	(113,822)
40.	Change in unauthorized and certified reinsurance .....		
41.	Change in treasury stock .....		
42.	Change in surplus notes .....		
43.	Cumulative effect of changes in accounting principles .....		
44.	Capital Changes:		
44.1	Paid in .....		
44.2	Transferred from surplus (Stock Dividend) .....		
44.3	Transferred to surplus .....		
45.	Surplus adjustments:		
45.1	Paid in .....	21,300,000	14,100,000
45.2	Transferred to capital (Stock Dividend) .....		
45.3	Transferred from capital .....		
46.	Dividends to stockholders .....		
47.	Aggregate write-ins for gains or (losses) in surplus .....		
48.	Net change in capital and surplus (Lines 34 to 47) .....	5,492,443	1,002,151
49.	Capital and surplus end of reporting year (Line 33 plus 48) .....	10,075,120	4,582,677
<b>DETAILS OF WRITE-INS</b>			
4701.	.....		
4702.	.....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page .....		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....		

**CASH FLOW**

		1	2
		Current Year	Prior Year
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	109,062,280	11,661,000
2.	Net investment income .....		
3.	Miscellaneous income .....		
4.	TOTAL (Lines 1 through 3) .....	109,062,280	11,661,000
5.	Benefit and loss related payments .....	53,426,197	5,342,221
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	22,958,209	10,656,000
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....		
10.	TOTAL (Lines 5 through 9) .....	76,384,406	15,998,221
11.	Net cash from operations (Line 4 minus Line 10) .....	32,677,874	(4,337,221)
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....		
12.2	Stocks .....		
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....		
12.7	Miscellaneous proceeds .....		
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7) .....		
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....		
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....		
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6) .....		
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....		
<b>Cash from Financing and Miscellaneous Sources</b>			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....	21,300,000	11,600,000
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....		
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	21,300,000	11,600,000
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	53,977,874	7,262,779
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	11,668,385	4,405,606
19.2	End of year (Line 18 plus Line 19.1) .....	65,646,259	11,668,385

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

20.0001	.....		
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## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	82,007,699	82,007,699								
2. Change in unearned premium reserves and reserve for rate credit .....										
3. Fee-for-service (net of \$.....0 medical expenses) .....										XXX
4. Risk revenue .....										XXX
5. Aggregate write-ins for other health care related revenues .....										XXX
6. Aggregate write-ins for other non-health care related revenues .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. TOTAL Revenues (Lines 1 to 6) .....	82,007,699	82,007,699								
8. Hospital/medical benefits .....	56,509,608	56,509,608								XXX
9. Other professional services .....	3,000,495	3,000,495								XXX
10. Outside referrals .....										XXX
11. Emergency room and out-of-area .....	1,049,299	1,049,299								XXX
12. Prescription drugs .....	17,628,891	17,628,891								XXX
13. Aggregate write-ins for other hospital and medical .....										XXX
14. Incentive pool, withhold adjustments and bonus amounts .....										XXX
15. Subtotal (Lines 8 to 14) .....	78,188,293	78,188,293								XXX
16. Net reinsurance recoveries .....	7,042,620	7,042,620								XXX
17. TOTAL Hospital and Medical (Lines 15 minus 16) .....	71,145,673	71,145,673								XXX
18. Non-health claims (net) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.....5,481,022 cost containment expenses .....	7,084,206	7,084,206								
20. General administrative expenses .....	18,922,554	18,922,554								
21. Increase in reserves for accident and health contracts .....										XXX
22. Increase in reserves for life contracts .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. TOTAL Underwriting Deductions (Lines 17 to 22) .....	97,152,433	97,152,433								
24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....	(15,144,734)	(15,144,734)								
<b>DETAILS OF WRITE-INS</b>										
0501. ....										XXX
0502. ....										XXX
0503. ....										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....										XXX
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....										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 .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301. ....										XXX
1302. ....										XXX
1303. ....										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....										XXX
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....										XXX

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS

		1	2	3	4
	Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical) .....	84,508,065		2,500,366	82,007,699
2.	Medicare Supplement .....				
3.	Dental only .....				
4.	Vision only .....				
5.	Federal Employees Health Benefits Plan .....				
6.	Title XVIII - Medicare .....				
7.	Title XIX - Medicaid .....				
8.	Other health .....				
9.	Health subtotal (Lines 1 through 8) .....	84,508,065		2,500,366	82,007,699
10.	Life .....				
11.	Property/casualty .....				
12.	TOTALS (Lines 9 to 11) .....	84,508,065		2,500,366	82,007,699



## 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 .....	54,407,778	54,407,778								
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....	866,845	866,845								
1.4 Net .....	53,540,933	53,540,933								
2. Paid medical incentive pools and bonuses .....										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	20,001,427	20,001,427								
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....	3,035,305	3,035,305								
3.4 Net .....	16,966,122	16,966,122								
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....	8,460,433	8,460,433								
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....	8,460,433	8,460,433								
5. Accrued medical incentive pools and bonuses, current year .....										
6. Net healthcare receivables (a) .....	1,329,877	1,329,877								
7. Amounts recoverable from reinsurers December 31, current year .....	4,032,491	4,032,491								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct .....	3,351,468	3,351,468								
8.2 Reinsurance assumed .....										
8.3 Reinsurance ceded .....	369,897	369,897								
8.4 Net .....	2,981,571	2,981,571								
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....										
9.2 Reinsurance assumed .....										
9.3 Reinsurance ceded .....										
9.4 Net .....										
10. Accrued medical incentive pools and bonuses, prior year .....										
11. Amounts recoverable from reinsurers December 31, prior year .....										
12. Incurred benefits:										
12.1 Direct .....	78,188,293	78,188,293								
12.2 Reinsurance assumed .....										
12.3 Reinsurance ceded .....	7,564,744	7,564,744								
12.4 Net .....	70,623,549	70,623,549								
13. Incurred medical incentive pools and bonuses .....										

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

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

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (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. Reported in Process of Adjustment:										
1.1 Direct .....	3,371,305	3,371,305								
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....	3,371,305	3,371,305								
2. Incurred but Unreported:										
2.1 Direct .....	16,630,122	16,630,122								
2.2 Reinsurance assumed .....										
2.3 Reinsurance ceded .....	3,035,305	3,035,305								
2.4 Net .....	13,594,817	13,594,817								
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....										
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....										
4. TOTALS										
4.1 Direct .....	20,001,427	20,001,427								
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....	3,035,305	3,035,305								
4.4 Net .....	16,966,122	16,966,122								

## UNDERWRITING AND INVESTMENT EXHIBIT

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

	Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred in Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1.	Comprehensive (hospital and medical) .....	2,072,463	48,688,413	37,474	25,389,081	2,109,937	3,024,882
2.	Medicare Supplement .....						
3.	Dental only .....						
4.	Vision only .....						
5.	Federal Employees Health Benefits Plan .....						
6.	Title XVIII - Medicare .....						
7.	Title XIX - Medicaid .....						
8.	Other health .....						
9.	Health subtotal (Lines 1 to 8) .....	2,072,463	48,688,413	37,474	25,389,081	2,109,937	3,024,882
10.	Healthcare receivables (a) .....	127,131	717,916		1,329,877	127,131	158,048
11.	Other non-health .....						
12.	Medical incentive pool and bonus amounts .....						
13.	TOTALS (Lines 9 - 10 + 11 + 12) .....	1,945,332	47,970,497	37,474	24,059,204	1,982,806	2,866,834

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

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

**Grand Total**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X	4,855	6,927
6. 2016 .....	X X X	X X X	X X X	X X X	48,688

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X	7,837	6,964
6. 2016 .....	X X X	X X X	X X X	X X X	74,077

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....	9,054	6,927			6,927	76,508	37	64	7,028	77.623
5. 2016 .....	82,007	48,688			48,688	59,371	25,389	316	74,393	90.715

12 Total

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

**Hospital and Medical**  
**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X	4,855	6,927
6. 2016 .....	X X X	X X X	X X X	X X X	48,688

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X	7,837	6,964
6. 2016 .....	X X X	X X X	X X X	X X X	74,077

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....	9,054	6,927			6,927	76,508	37	64	7,028	77.623
5. 2016 .....	82,007	48,688			48,688	59,371	25,389	316	74,393	90.715

12 Hospital and Medical

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

**Medicare Supplement**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

12 Medicare Supplement

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

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

12 Dental Only

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

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

12 Vision Only



**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)**  
**Federal Employees Health Benefits Plan Premiums**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

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

**Title XVIII - Medicare**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

12 Title XVIII-Medicare

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

**Title XIX - Medicaid**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

12 Title XIX-Medicaid

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

**Other**

**Section A - Paid Health Claims**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section B - Incurred Health Claims**

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 2012	2 2013	3 2014	4 2015	5 2016
1. Prior .....					
2. 2012 .....					
3. 2013 .....	X X X				
4. 2014 .....	X X X	X X X			
5. 2015 .....	X X X	X X X	X X X		
6. 2016 .....	X X X	X X X	X X X	X X X	

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

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. 2012 .....										
2. 2013 .....										
3. 2014 .....										
4. 2015 .....										
5. 2016 .....										

12 Other

## UNDERWRITING AND INVESTMENT EXHIBIT

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

	1	2	3	4	5	6	7	8	9
	Total	Compre- hensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....									
2. Additional policy reserves (a) .....									
3. Reserve for future contingent benefits .....									
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income) .....	28,964,223	28,964,223							
5. Aggregate write-ins for other policy reserves .....									
6. TOTALS (Gross) .....	28,964,223	28,964,223							
7. Reinsurance ceded .....									
8. TOTALS (Net) (Page 3, Line 4) .....	28,964,223	28,964,223							
9. Present value of amounts not yet due on claims .....	8,460,433	8,460,433							
10. Reserve for future contingent benefits .....									
11. Aggregate write-ins for other claim reserves .....									
12. TOTALS (Gross) .....	8,460,433	8,460,433							
13. Reinsurance ceded .....									
14. TOTALS (Net) (Page 3, Line 7) .....	8,460,433	8,460,433							
<b>DETAILS OF WRITE-INS</b>									
0501. ....									
0502. ....									
0503. ....									
0598. Summary of remaining write-ins for Line 5 from overflow page .....									
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....									
1101. ....									
1102. ....									
1103. ....									
1198. Summary of remaining write-ins for Line 11 from overflow page .....									
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....									

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

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building) .....					
2. Salaries, wages and other benefits .....	711,259	796,032	8,562,953		10,070,244
3. Commissions (less \$.....0 ceded plus \$.....0 assumed) .....	470	939	82,979		84,388
4. Legal fees and expenses .....	6,646	555	81,241		88,442
5. Certifications and accreditation fees .....	93,125	2,522	107,004		202,651
6. Auditing, actuarial and other consulting services .....	106,879	26,653	787,393		920,925
7. Traveling expenses .....	9,284	9,957	132,550		151,791
8. Marketing and advertising .....	2,642	20,349	2,103,656		2,126,647
9. Postage, express and telephone .....		45,385			45,385
10. Printing and office supplies .....		21,019			21,019
11. Occupancy, depreciation and amortization .....	39,019	187,949	850,198		1,077,166
12. Equipment .....	4,394	19,609	154,099		178,102
13. Cost or depreciation of EDP equipment and software .....					
14. Outsourced services including EDP, claims, and other services .....	1,112,023	2,579	30,841		1,145,443
15. Boards, bureaus and association fees .....					
16. Insurance, except on real estate .....			26,699		26,699
17. Collection and bank service charges .....		23,634	322,866		346,500
18. Group service and administration fees .....	3,395,281	436,270	31,480		3,863,031
19. Reimbursements by uninsured plans .....					
20. Reimbursements from fiscal intermediaries .....					
21. Real estate expenses .....					
22. Real estate taxes .....					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....					
23.2 State premium taxes .....			5,560,365		5,560,365
23.3 Regulatory authority licenses and fees .....					
23.4 Payroll taxes .....					
23.5 Other (excluding federal income and real estate taxes) .....					
24. Investment expenses not included elsewhere .....					
25. Aggregate write-ins for expenses .....		9,732	88,230		97,962
26. TOTAL Expenses Incurred (Lines 1 to 25) .....	5,481,022	1,603,184	18,922,554		(a) 26,006,760
27. Less expenses unpaid December 31, current year .....			2,903,394		2,903,394
28. Add expenses unpaid December 31, prior year .....			416,353		416,353
29. Amounts receivable relating to uninsured plans, prior year .....					
30. Amounts receivable relating to uninsured plans, current year .....					
31. TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	5,481,022	1,603,184	16,435,513		23,519,719
<b>DETAILS OF WRITE-INS</b>					
2501. Interest Penalties .....		9,732	88,230		97,962
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page .....					
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....		9,732	88,230		97,962

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

## EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a)	
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 563	564
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL Gross investment income	563	564
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		
16. TOTAL Deductions (Lines 11 through 15)		
17. Net Investment income (Line 10 minus Line 16)		564

**DETAILS OF WRITE-INS**

0901. ....		
0902. ....		
0903. ....		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)		
1501. ....		
1502. ....		
1503. ....		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

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

## EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)					
<b>DETAILS OF WRITE-INS</b>					
0901. ....					
0902. ....					
0903. ....					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

NONE

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens .....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income .....			
4.3 Properties held for sale .....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....			
12. Subtotals, cash and invested assets (Lines 1 to 11) .....			
13. Title plants (for Title insurers only) .....			
14. Invested income due and accrued .....			
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset .....			
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....			
21. Furniture and equipment, including health care delivery assets .....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....	794,088	100,859	(693,229)
25. Aggregate write-ins for other than invested assets .....	17,408	47,250	29,842
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	811,496	148,109	(663,387)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. TOTAL (Lines 26 and 27) .....	811,496	148,109	(663,387)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....			
2501. Prepaid Expenses .....	17,408	47,250	29,842
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	17,408	47,250	29,842



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

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations .....						
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....	2,798	24,516	24,407	23,954	21,267	275,451
4. Point of Service .....						
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business .....						
7. TOTAL .....	2,798	24,516	24,407	23,954	21,267	275,451
<b>DETAILS OF WRITE-INS</b>						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....						
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....						

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

- A. The accompanying financial statements of Oscar Insurance Corporation of New Jersey (the "Company") have been prepared in conformity with accounting practices prescribed or permitted by the New Jersey Department of Banking and Insurance (NJDOBI).

Our members were first effectuated January 1, 2015 after which Oscar began reporting premiums earned and claims expenses. The Company left the individual market place effective January 1, 2017 and has no members for the 2017 data year.

A reconciliation of The Company's net income and capital surplus between NAIC SAP and practices prescribed or permitted by New Jersey Statutory Accounting Principles ("NJ SAP") is shown below:

	SSAP #	F/S Page	F/S Line #	2016	2015
<b>NET INCOME\$</b>					
(1) Net income (loss), NJ SAP (Page 4, Line 32,	XXX	XXX	XXX	(\$15,144,170)	(\$12,984,027)
(2) State Prescribed Practices that increase/(decrease)				-	-
(3) Net income (loss), NAIC SAP (1-2-3=4)	XXX	XXX	XXX	(\$15,144,170)	(\$12,984,027)
<b>SURPLUS</b>					
(4) Statutory Surplus, NJ SAP (Page 3, Line 33,	XXX	XXX	XXX	\$10,075,120	\$4,582,677
(5) State Prescribed Practices that increase/(decrease)				-	-
(6) Statutory Surplus, NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$10,075,120	\$4,582,677

- B. The preparation of these statutory-basis financial statements requires management to make estimates and assumptions that affect the amounts reported in the statutory-basis financial statements and accompanying notes. Actual results could differ from those estimates. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein. Estimates that are particularly susceptible to change include assumptions used in determining the loss and LAE reserves.
- C. Premiums are earned ratably over the terms of the related insurance policies. Ceded premiums are earned ratably over the terms of the applicable reinsurance contracts. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as marketing, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1-9) Not applicable
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while the management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The company has not modified its capitalization policy from the prior period.
- (13) The company's Pharmacy Benefit Manager - CVSHealth has a contractually guaranteed minimum pharmaceutical rebates. These amounts determine the company's estimated receivable adjusted for payments received.
- (14) Going Concern

As of December 31, 2016, the management team has evaluated the Company's operations and financial position. No uncertainties or doubt exists about the Company's ability to continue as a going concern.

### 2. Accounting Changes and Corrections of Errors

There were no accounting changes or correction of errors during 2016.

### 3. Business Combinations and Goodwill

The Company had no business combinations or goodwill.

## Notes to Financial Statements

#### 4. Discontinued Operations

The Company had no discontinued operations during 2016 or 2015.

#### 5. Investments

The Company held no investments during 2016 or 2015.

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

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

#### 7. Investment Income

The Company had no investment income due and accrued.

#### 8. Derivative Instruments

The Company has no derivative instruments.

#### 9. Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31 are as follows.

1) Current, previous and change in Current Tax Assets

1.	Description	12/31/2016			12/31/2015			Change		
		(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 – 4) Ordinary	(8) (Col. 2 – 5) Capital	(9) (Col. 7 + 8) Total
(a)	Gross Deferred Tax Assets	\$10,962,708	-	\$10,962,708	\$5,596,806	-	\$5,596,806	\$5,365,902	-	\$5,365,902
(b)	Statutory Valuation Allowance Adjustments	\$10,956,789	-	\$10,956,789	\$5,596,806	-	\$5,596,806	\$5,359,983	-	\$5,359,983
(c)	Adjusted Gross Deferred Tax Assets (1a – 1b)	\$5,919	-	\$5,919	-	-	-	\$5,919	-	\$5,919
(d)	Deferred Tax Assets Nonadmitted	-	-	-	-	-	-	-	-	-
(e)	Subtotal Net Admitted Deferred Tax Asset (1c – 1d)	\$5,919	-	\$5,919	-	-	-	\$5,919	-	\$5,919
(f)	Deferred Tax Liabilities	\$5,919	-	5,9119	-	-	-	5,919	-	5,919
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax	-	-	-	-	-	-	-	-	-

## Notes to Financial Statements

### 2) Admission Calculation Components SSAP No. 101

2.	Admission Calculation Components SSAP No. 101	12/31/2016			12/31/2015			Change		
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 – 4) Ordinary	(Col. 2 – 5) Capital	(Col. 7 + 8) Total
	(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	-	-	-	-	-	-	-	-	-
	(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) Above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 below)	-	-	-	-	-	-	-	-	-
	1 Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	-	-	-	-	-	-	-	-	-
	2 Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	-	XXX	XXX	-	XXX	XXX	-
	(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-
	(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	-	-	-	-	-	-	-	-	-

### 3) Threshold Limitation

	2015	2014
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount	0%	0%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above	\$10,931,924	\$3,580,526

### 4) Not applicable. The Company did not use tax-planning strategies

B. Not applicable

C. Not applicable

D. Not applicable

E. (1)-(2) At December 31, 2016, the Company had unused operating loss carryforwards available to offset against future taxable income of \$24,401,125. The origination and expiration of the carryforwards are as follows:

<u>Amount</u>	<u>Origination Date</u>	<u>Expiration Date</u>
\$1,846,523	December 31, 2014	December 31, 2029
\$3,749,477	December 31, 2015	December 31, 2030
\$18,805,125	December 31, 2016	December 31, 2031

(3) Not applicable

## Notes to Financial Statements

- F. The Company's federal income tax return will be consolidated with the following entities for the reporting year: Mulberry Health Inc. (Mulberry), Oscar Insurance Corporation, Oscar Health Plan of California, Oscar Insurance Company of Texas and Mulberry Management Corporation.
- G. Not applicable

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

- A. In 2013, Mulberry Health Inc. (Mulberry) funded the Company in order to meet the reserve requirements established by the NJDOBI, as well as the ongoing operating expenses of the Company.
- B. The Company received capital contributions of \$21,300,000 and \$14,100,000 in the year ending December 31, 2016 and December 31, 2015, respectively from its parent Mulberry.
- C. A summary of the contributions is as follows:

Fiscal Year Ended	Amount
2015	\$ 14,100,000
2016	\$ 21,300,000
<b>Total at Dec. 31, 2016</b>	<b>\$ 35,400,000</b>

The cash was accounted for as a capital contribution credited to additional paid in capital.

- D. The Company was due to pay \$1,817,057 to parent and affiliate companies Mulberry Health Inc. and Oscar Insurance Corporation as of December 31, 2016 for operating expenses paid on their behalf. The terms of settlement require that these amounts be settled 60 days after receipt of invoice.
- E. None.
- F. Certain General and Administrative costs, including personnel and facility costs as well as charges for legal, marketing and accounting services are paid by Oscar Insurance Corporation and subsequently reimbursed by affiliated companies.
- G. All outstanding shares of The Company are owned by the parent company, Mulberry Health Inc., an insurance holding company domiciled in the State of Delaware.
- H. The Company owns no shares of an upstream, intermediate, or ultimate parent, either directly or indirectly.

I–N. None

### 11. Debt

Not applicable.

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

Not applicable

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

- (1) The company has 140,000 shares, with a par value of \$5 authorized, issued and outstanding as of December 31, 2016. All shares are Class A shares.
- (2) No preferred stock has been authorized.
- (3) Under New Jersey law, the Company may pay cash dividends only from earned surplus determined on a statutory basis. Further, the Company is restricted (on the basis of the lower of 10% of the Company's statutory surplus as shown by its last statement on file with the superintendent, or one hundred percent of adjustment net investment income for such period) as to the amount of dividends it may declare or pay in any twelve month period without the prior approval of the NJDOBI.

(4)-(8) Not applicable.

## Notes to Financial Statements

(9) Changes in balances of special surplus funds from the prior year of-\$0- Is due to the Consolidated Appropriations Act of 2016 which imposed moratorium on the Health Insurance Provider's fee for the 2017 fee year (2016 data year), the segregation of special surplus funds during 2016 is not required.

(10)-(13) Not applicable.

### 14. Liabilities, Contingencies and Assessments

Not applicable.

### 15. Leases

Not Applicable

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

Not applicable.

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

Not Applicable

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

Not applicable

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

Not Applicable

### 20. Fair Value Measurement

#### A. Fair Value Measurement at Reporting Date

As of December 31, 2016, all financial assets were held in non-interest bearing cash accounts except for a \$100,679 Certificate of Deposit. The Company classified these assets as Level 2 investments given they have readily observable prices at the measurement date.

<u>Description</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
<b>a. Assets at fair value</b>				
Certificate of Deposit	\$0	\$100,679	\$0	\$100,679
<u>Total Assets at FV:</u>	<u>\$0</u>	<u>\$100,679</u>	<u>\$0</u>	<u>\$100,679</u>
<b>b. Liabilities at fair value</b>				
None	\$0	\$0	\$0	\$0
<u>Total Liabilities at FV:</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

As of December 31, 2016, the reported fair value of the Company's investments in Level 2 assets, a certificate of deposit, was \$100,679. To measure the fair value of the certificate of deposit, the Company relied on the year-end account statement provided by the bank.

#### B. Aggregate Fair Value of Financial Instruments

<u>Type of Financial Instrument</u>	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Not Practicable (Carrying Value)</u>
Certificate of Deposit	\$100,679	\$100,679	\$0	\$100,679	\$0	\$100,679

### 21. Other Items

A. Unusual or Infrequent Items  
Not Applicable

## Notes to Financial Statements

- B. Troubled Debt Restructuring: Debtors  
Not Applicable
- C. Other Disclosures  
Not Applicable
- D. Business Interruption Insurance Recoveries  
Not Applicable
- E. State Transferable and Non-Transferable Tax Credits  
Not Applicable
- F. Subprime Mortgage Related Risk Exposure  
Not applicable
- G. Retained Assets  
Not Applicable
- H. Insurance-Linked Securities (ILS) Contracts  
Not Applicable

### 22. Events Subsequent

#### Type I – Recognized Subsequent Events:

There have been no Type I events. Subsequent Events have been considered through February 28, 2017 for the statutory annual 2016 statements.

#### Type II – Unrecognized Subsequent Events:

There have been no Type II events. Subsequent Events have been considered through February 28, 2017 for the statutory annual 2016 statements.

On January 1, 2017, the Company will be subject to an annual fee under Section 9010 of the federal Affordable Care Act (ACA). 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 of the year the fee is due. As of December 31, 2016, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2017, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2017 to be \$0. This amount is reflected in special surplus. This assessment is expected to impact risk based capital (RBC) by 0%. Reporting the ACA assessment as of December 31, 2016, would not have triggered an RBC action level.

Description	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	No	
B. ACA fee assessment payable for the upcoming year	-	
C. ACA fee assessment paid	-	-
D. Premium written subject to ACA 9010 assessment	-	-
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	\$10,075,120	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B)	\$10,075,120	
G. Authorized Control Level (Five-Year Historical Line 15)	\$4,617,880	
H. Would reporting the ACA assessment as of December 31, 2016 have triggered an RBC action level (YES/NO)?	No	

## Notes to Financial Statements

### 23. Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, office, trustee, or director of the company?

Yes( ) No (X)

2. Have any policies issued by the corporation been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, office, trustee, or director of the company?

Yes( ) No (X)

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

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premiums or other similar credit?

Yes( ) No (X)

a. Not Applicable

b. The total amount of reinsurance credits taken as an asset or reduction of a liability is \$7,067,796. (both private reinsurance and the Transitional Reinsurance Program)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits for other reinsurance agreements with the same insurer, exceed the total of direct premium collected under the reinsured policies.

Yes( ) No (X)

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

- (1) The estimated change in surplus for elimination of all reinsurance amounts would be (\$10,800,441).
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement.

Yes( ) No (X)

B. Uncollectable Reinsurance  
Not Applicable

C. Commutation of Reinsurance  
Not Applicable

D. Certified Reinsurer Downgraded or Status Subject to Revocation  
Not Applicable



## Notes to Financial Statements

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

- A. No Significant Changes
- B. No Significant Changes
- C. No Significant Changes
- D. No Significant Changes
  
- E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the Reporting entity write accident and health insurance premiums which is subject to the Affordable Care Act risk sharing provisions? **YES**

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Assets, Liabilities, and Revenue for the Current Year. Asset balances shall reflect admitted asset balances.

Description	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	-
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$22,178
3. Premium adjustments payable due to ACA Risk Adjustment	\$28,964,223
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts	(\$30,111,214)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	(\$22,178)
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$3,002,686
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	\$2,141,379
3. Amounts receivable relating to uninsured plans for contributions for ACA	-
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as	-
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$658,305
6. Liabilities for amounts held under uninsured plans contributions for ACA	-
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	(\$641,034)
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or	\$5,185,130
9. ACA Reinsurance contributions – not reported as ceded premium	-
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk	-
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	-
4. Effect of ACA Risk Corridors on change in reserves for rate credits	-

## Notes to Financial Statements

- (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any non-admission) and liability balances, along with the reasons for the adjustments to prior year balances.

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
Permanent ACA Risk Adjustment Program											
• Premium adjustments receivable	-	-	-	-	-	-	-	-	A	-	-
• Premium adjustments (payable)	-	\$810,305	-	\$1,957,296	-	(\$1,146,991)	-	\$1,146,991	B	-	-
• Subtotal ACA Permanent Risk Adjustment Program	-	\$810,305	-	\$1,957,296	-	(\$1,146,991)	-	\$1,146,991		-	-
Transitional ACA Reinsurance Program											
• Amounts recoverable for claims paid	\$522,124	-	\$666,425	-	(\$144,301)	-	\$144,301	-	C	-	-
• Amounts recoverable for claims unpaid (contra liability)	\$278,319	-	\$278,319	-	-	-	-	-	D	-	-
• Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
• Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	-	-	-	-	-	-	-	-	F	-	-
• Ceded reinsurance premiums payable	-	\$102,235	-	-	-	\$102,235	-	-	G	-	\$102,235
• Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
• Subtotal ACA Transitional Reinsurance Program	\$800,443	\$102,235	\$944,744	-	(\$144,301)	\$102,235	\$144,301	-		-	\$102,235
Temporary ACA Risk Corridors Program											
• Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
• Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
• Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-		-	-
Total for ACA Risk Sharing Provisions	\$800,443	\$912,540	\$944,744	\$1,957,296	(\$144,301)	(\$1,044,756)	\$144,301	\$1,146,991		-	\$102,235

Explanation of Adjustments

- A. Variance between actual and estimate.  
B. Variance between actual and estimate.  
C. Variance between actual and estimate.

## Notes to Financial Statements

## (4) Roll forward of risk corridors asset and liability balances by program benefit year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 +7)	Cumulative Balance from Prior Years (Col 2 - 4 +8)	
	1	2	3	4	5	6	7	8	Re	9	10
	Receivabl	(Payable)	Receivabl	(Payable)	Receivable	(Payable)	Receivabl	(Payable)		Receivabl	(Payable)
a. 2014											
1. Accrued retrospective	-	-	-	-	-	-	-	-	A	-	-
2. Reserve for rate credits or policy experience rating	-	-	-	-	-	-	-	-	B	-	-
b. 2015											
1. Accrued retrospective	-	-	-	-	-	-	-	-	C	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
c. 2016											
1. Accrued retrospective	-	-	-	-	-	-	-	-	E	-	-
2. Reserve for rate credits or policy experience rating	-	-	-	-	-	-	-	-	F	-	-
d. Total for risk corridors	-	-	-	-	-	-	-	-		-	-

## Notes to Financial Statements

### (5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	(1) Estimated Amount to be Filed or Final Amount Filed with CMS	(2) Non-Accrued Amounts for Impairment or Other Reasons	(3) Amounts received from CMS	(4) Asset Balance (Gross of Non- admissions)	(5) Non-admitted Amount	(6) Net Admitted Asset (4-5)
a. 2014	-	-	-	-	-	-
b. 2015	-	-	-	-	-	-
c. 2016	-	-	-	-	-	-
d. Total (a+b+c)	-	-	-	-	-	-

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

Reserves as of December 31, 2015 were \$3,351,468. As of December 31, 2016, \$2,324,965 has been paid for insured claims attributable to insured events of the prior years. Claim adjustment expenses are assumed paid for current year. Reserves remaining for prior years are now \$37,474 as a result of re-estimation of unpaid claims and claim adjustment expense principally on our health line of business. Therefore, there has been a (\$989,026) unfavorable (favorable) prior-year development December 31, 2015 to December 31, 2016. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

### 26. Intercompany Pooling Arrangements

Not applicable.

### 27. Structured Settlements

Not applicable

### 28. Health Care Receivables

#### A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
2016 Q4	\$657,069	-	-	-	-
2016 Q3	\$562,325	\$581,955	-	-	-
2016 Q2	\$498,273	\$515,772	-	\$385,373	-
2016 Q1	\$330,126	\$341,633	-	-	\$332,542
2015 Q4	\$25,561	\$27,649	-	\$10,163	\$15,398
2015 Q3	\$52,064	\$56,642	-	\$4,381	\$47,684
2015 Q2	\$57,775	\$57,799	-	\$8,423	\$49,352
2015 Q1	\$16,182	\$16,376	-	\$2,037	\$14,145

### 29. Participating Policies

Not applicable.

### 30. Premium Deficiency Reserves

Not Applicable

### 31. Anticipated Salvage and Subrogation

Not applicable.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[ ] N/A[ ]
- 1.3 State Regulating? New Jersey
- 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: 12/31/2015
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .....
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....
- 3.4 By what department or departments?  
N/A .....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[ ] No[ ] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[ ] No[ ] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[ ] No[X]
- 4.12 renewals? Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[ ] No[X]
- 4.22 renewals? Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 5.2 If yes, provide the name of 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, ..... 0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity
.....	.....

- 8.1 Is the company a subsidiary of a bank holding company regulated 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
.....	.....	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]	Yes[ ] No[X]

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Deloitte & Touche LLP 30 Rockefeller Plaza New York, NY 10112
- 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 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 18A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is no or n/a please explain:
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?  
Fuasto Palazzetti (Chief Actuary) 295 Lafayette Street, New York, NY 10012

## GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes  No   
 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  N/A   
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes  No  N/A   
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes  No  N/A
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes  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   
 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   
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes  No   
 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
15.2001	.....	.....	.....	.....

### 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  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  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  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
- 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 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   
 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   
 22.2 If answer is yes:  
 22.21 Amount paid as losses or risk adjustment \$ ..... 1,957,296  
 22.22 Amount paid as expenses \$ ..... 0  
 22.23 Other amounts paid \$ ..... 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No   
 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  No
- 24.02 If no, give full and complete information, relating thereto  
 As a requirement for liensure, the NJDOBI holds aCD in the amount of \$100,679.
- 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)  
 Not Applicable
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes  No  N/A   
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ ..... 0  
 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ ..... 0  
 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes  No  N/A

## GENERAL INTERROGATORIES (Continued)

- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[ ] No[ ] N/A[X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ ..... 0
- 24.103 Total payable for securities lending reported on the liability page. \$ ..... 0

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is 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[X] N/A[ ]  
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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[ ] No[X]
- 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

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

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

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[ ] No[X]
- 28.04 If yes, give full and complete information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation

- 28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes[ ] No[X]
- 28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes[ ] No[X]
- 28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

## GENERAL INTERROGATORIES (Continued)

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

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])?

Yes  No

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 Total		

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds			
30.2 Preferred stocks			
30.3 Totals			

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

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  N/A

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:  
The Company does not have any investments.

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes  No

32.2 If no, list exceptions:

### OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?

\$ ..... 0

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?

\$ ..... 79,780

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

1 Name	2 Amount Paid
BRESSLER, AMERY & ROSS	74,137

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

\$ ..... 0

35.2 List the name of 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.



## GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
.....	.....

# GENERAL INTERROGATORIES (Continued)

## PART 2 - HEALTH INTERROGATORIES

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

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	82,007,699	9,027,091
2.2 Premium Denominator .....	82,007,699	9,027,091
2.3 Premium Ratio (2.1 / 2.2) .....	1.000	1.000
2.4 Reserve Numerator .....	54,390,779	3,791,876
2.5 Reserve Denominator .....	54,390,778	3,791,876
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] N/A [ ]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes[X] No [ ]
- 5.2 If no, explain:  
N/A
- 5.3 Maximum retained risk (see instructions):
- 5.31 Comprehensive Medical \$ ..... 137,250
- 5.32 Medical Only \$ ..... 0
- 5.33 Medicare Supplement \$ ..... 0
- 5.34 Dental & Vision \$ ..... 0
- 5.35 Other Limited Benefit Plan \$ ..... 0
- 5.36 Other \$ ..... 0
- 6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:  
We believe that our surplus together with our claims reserve provision and allowance for unpaid claims adjustment expenses will meet the financial obligations to our subscribers and their dependents.
- 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 ..... 30,273
- 8.2 Number of providers at end of reporting year ..... 4,703
- 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 ..... 0
- 9.22 Business with rate guarantees over 36 months ..... 0
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [ ] No[X]
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses \$ ..... 0
- 10.22 Amount actually paid for year bonuses \$ ..... 0
- 10.23 Maximum amount payable withholds \$ ..... 0
- 10.24 Amount actually paid for year withholds \$ ..... 0
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes [ ] No[X]
- 11.13 An Individual Practice Association (IPA), or, Yes [ ] No[X]
- 11.14 A Mixed Model (combination of above)? Yes [ ] No[X]
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes[X] No [ ]
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.  
New Jersey
- 11.4 If yes, show the amount required. \$ ..... 2,800,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No[X]
- 11.6 If the amount is calculated, show the calculation.  
We are required to keep the maximum of \$2,800,000 or 300% of Authorized Control Level. In this period the effective minimum capital is \$2,800,000
- 12. List service areas in which the reporting entity is licensed to operate:

1 Name of Service Area
New Jersey State .....
Bergen County .....
Essex County .....
Morris County .....
Passaic County .....
Union County .....



## FIVE-YEAR HISTORICAL DATA

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. TOTAL Admitted Assets (Page 2, Line 28) .....	70,376,938	14,887,231			
2. TOTAL Liabilities (Page 3, Line 24) .....	60,301,818	10,304,554			
3. Statutory minimum capital and surplus requirement .....	2,800,000		2,800,000		
4. TOTAL Capital and Surplus (Page 3, Line 33) .....	10,075,120	4,582,677			
<b>INCOME STATEMENT (Page 4)</b>					
5. TOTAL Revenues (Line 8) .....	82,007,699	9,027,091			
6. TOTAL Medical and Hospital Expenses (Line 18) .....	71,145,673	7,618,139			
7. Claims adjustment expenses (Line 20) .....	7,084,206	2,424,510			
8. TOTAL Administrative Expenses (Line 21) .....	18,922,554	11,968,469			
9. Net underwriting gain (loss) (Line 24) .....	(15,144,734)	(12,984,027)			
10. Net investment gain (loss) (Line 27) .....	564				
11. TOTAL Other Income (Lines 28 plus 29) .....					
12. Net income or (loss) (Line 32) .....	(15,144,170)	(12,984,027)			
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	32,677,874	(4,337,221)			
<b>RISK-BASED CAPITAL ANALYSIS</b>					
14. TOTAL Adjusted Capital .....	10,075,120		3,580,526		
15. Authorized control level risk-based capital .....	4,617,880		6,609		
<b>ENROLLMENT (Exhibit 1)</b>					
16. TOTAL Members at End of Period (Column 5, Line 7) .....	21,267				
17. TOTAL Members Months (Column 6, Line 7) .....	275,451				
<b>OPERATING PERCENTAGE (Page 4)</b>					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19) .....	86.8	84.4			
20. Cost containment expenses .....	6.7				
21. Other claims adjustment expenses .....	2.0				
22. TOTAL Underwriting Deductions (Line 23) .....	118.5	243.8			
23. TOTAL Underwriting Gain (Loss) (Line 24) .....	(18.5)	(143.8)			
<b>UNPAID CLAIMS ANALYSIS</b>					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5) .....	1,982,806				
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] .....	2,866,834				
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1) .....					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1) .....					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1) .....					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) .....					
30. Affiliated mortgage loans on real estate .....					
31. All other affiliated .....					
32. TOTAL of Above Lines 26 to 31 .....					
33. TOTAL Investment in Parent Included in Lines 26 to 31 above .....					

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

If no, please explain::

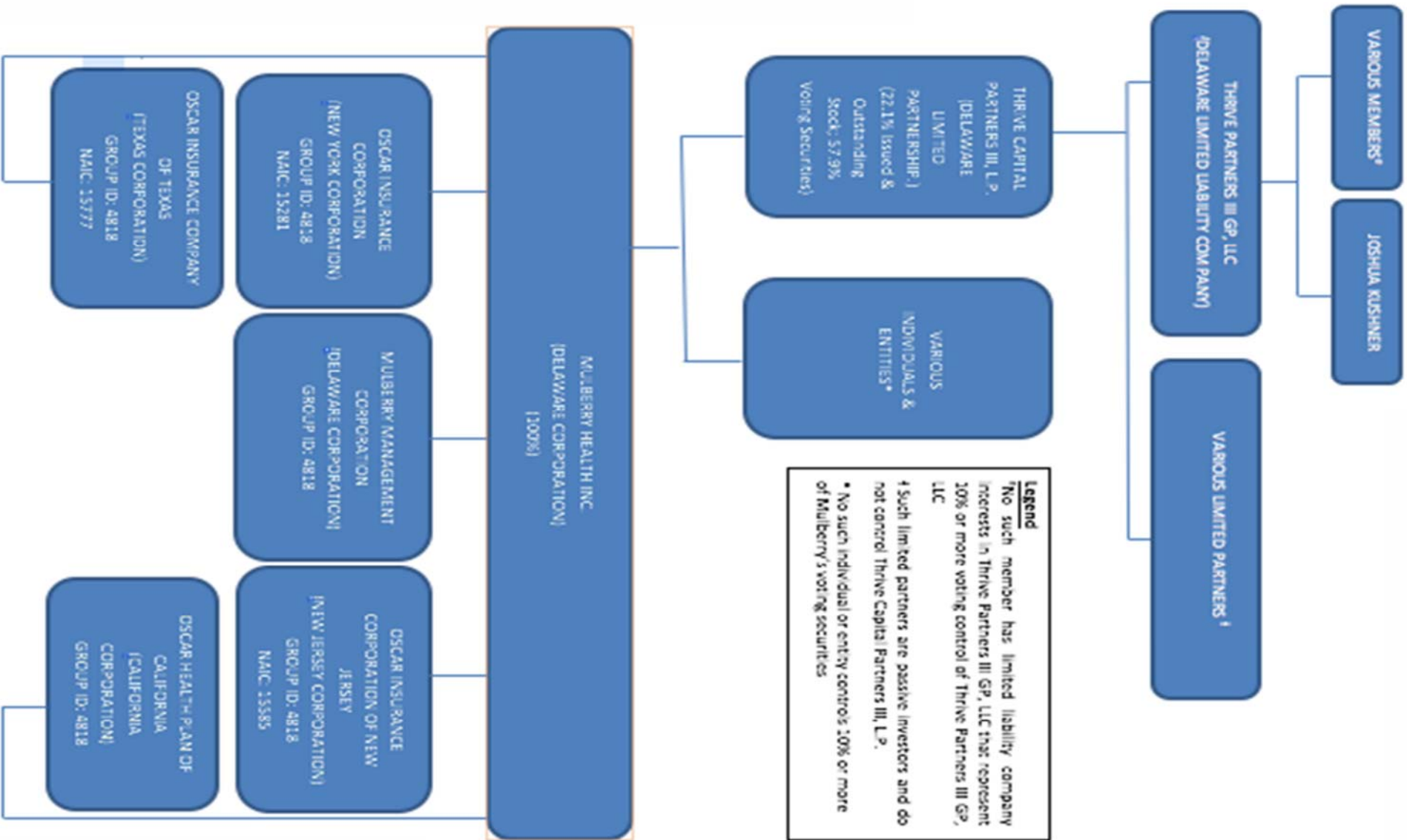
# SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit - Type Contracts
1. Alabama (AL)	N								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	N								
5. California (CA)	N								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	N								
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	L	84,508,065						84,508,065	
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	N								
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	N								
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	N								
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
50. Wisconsin (WI)	N								
51. Wyoming (WY)	N								
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	X X X								
59. Subtotal	X X X	84,508,065						84,508,065	
60. Reporting entity contributions for Employee Benefit Plans	X X X								
61. TOTAL (Direct Business)	(a) 1	84,508,065						84,508,065	
<b>DETAILS OF WRITE-INS</b>									
58001	X X X								
58002	X X X								
58003	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

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

(a) Insert the number of L responses except for Canada and Other Alien.  
Explanation of basis of allocation by state, premiums by state, etc.: We are only licenced in one state thus no allocation is required.

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



# INDEX TO HEALTH ANNUAL STATEMENT

Analysis of Operations By Lines of Business .....	7
Assets .....	2
Cash Flow .....	6
Exhibit 1 - Enrollment By Product Type for Health Business Only .....	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid .....	18
Exhibit 3 - Health Care Receivables .....	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued .....	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus .....	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates .....	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates .....	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers .....	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries .....	24
Exhibit 8 - Furniture, Equipment and Supplies Owned .....	25
Exhibit of Capital Gains (Losses) .....	15
Exhibit of Net Investment Income .....	15
Exhibit of Nonadmitted Assets .....	16
Exhibit of Premiums, Enrollment and Utilization (State Page) .....	30
Five-Year Historical Data .....	29
General Interrogatories .....	27
Jurat Page .....	1
Liabilities, Capital and Surplus .....	3
Notes To Financial Statements .....	26
Overflow Page For Write-ins .....	44
Schedule A - Part 1 .....	E01
Schedule A - Part 2 .....	E02
Schedule A - Part 3 .....	E03
Schedule A - Verification Between Years .....	SI02
Schedule B - Part 1 .....	E04
Schedule B - Part 2 .....	E05
Schedule B - Part 3 .....	E06
Schedule B - Verification Between Years .....	SI02
Schedule BA - Part 1 .....	E07
Schedule BA - Part 2 .....	E08
Schedule BA - Part 3 .....	E09
Schedule BA - Verification Between Years .....	SI03
Schedule D - Part 1 .....	E10
Schedule D - Part 1A - Section 1 .....	SI05
Schedule D - Part 1A - Section 2 .....	SI08
Schedule D - Part 2 - Section 1 .....	E11
Schedule D - Part 2 - Section 2 .....	E12
Schedule D - Part 3 .....	E13
Schedule D - Part 4 .....	E14
Schedule D - Part 5 .....	E15
Schedule D - Part 6 - Section 1 .....	E16
Schedule D - Part 6 - Section 2 .....	E16
Schedule D - Summary By Country .....	SI04
Schedule D - Verification Between Years .....	SI03
Schedule DA - Part 1 .....	E17
Schedule DA - Verification Between Years .....	SI10
Schedule DB - Part A - Section 1 .....	E18
Schedule DB - Part A - Section 2 .....	E19
Schedule DB - Part A - Verification Between Years .....	SI11
Schedule DB - Part B - Section 1 .....	E20
Schedule DB - Part B - Section 2 .....	E21
Schedule DB - Part B - Verification Between Years .....	SI11
Schedule DB - Part C - Section 1 .....	SI12
Schedule DB - Part C - Section 2 .....	SI13
Schedule DB - Part D - Section 1 .....	E22
Schedule DB - Part D - Section 2 .....	E23

## INDEX TO HEALTH ANNUAL STATEMENT

Schedule DB - Verification .....	SI14
Schedule DL - Part 1 .....	E24
Schedule DL - Part 2 .....	E25
Schedule E - Part 1 - Cash .....	E26
Schedule E - Part 2 - Cash Equivalents .....	E27
Schedule E - Part 3 - Special Deposits .....	E28
Schedule E - Verification Between Years .....	SI15
Schedule S - Part 1 - Section 2 .....	31
Schedule S - Part 2 .....	32
Schedule S - Part 3 - Section 2 .....	33
Schedule S - Part 4 .....	34
Schedule S - Part 5 .....	35
Schedule S - Part 6 .....	36
Schedule S - Part 7 .....	37
Schedule T - Part 2 - Interstate Compact .....	39
Schedule T - Premiums and Other Considerations .....	38
Schedule Y - Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group .....	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System .....	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....	42
Statement of Revenue and Expenses .....	4
Summary Investment Schedule .....	SI01
Supplemental Exhibits and Schedules Interrogatories .....	43
Underwriting and Investment Exhibit - Part 1 .....	8
Underwriting and Investment Exhibit - Part 2 .....	9
Underwriting and Investment Exhibit - Part 2A .....	10
Underwriting and Investment Exhibit - Part 2B .....	11
Underwriting and Investment Exhibit - Part 2C .....	12
Underwriting and Investment Exhibit - Part 2D .....	13
Underwriting and Investment Exhibit - Part 3 .....	14



## Amended Explanation Page

Jurat with updated signatures to go with the amended filing  
Changes to premium and claims from what was originally filed.



ANNUAL STATEMENT
For the Year Ending DECEMBER 31, 2016
OF THE CONDITION AND AFFAIRS OF THE

Oscar Insurance Corporation of New Jersey

NAIC Group Code 4818 (Current Period), 4818 (Prior Period), NAIC Company Code 15585, Employer's ID Number 47-1142944

Organized under the Laws of New Jersey, State of Domicile or Port of Entry NJ

Country of Domicile United States of America

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

Incorporated/Organized 06/18/2014, Commenced Business 01/01/2015

Statutory Home Office 820 Bear Tavern Road, West Trenton, NJ, US 08628

Main Administrative Office 295 Lafayette Street, New York, NY, US 10012, (646)403-3677

Mail Address 295 Lafayette Street, New York, NY, US 10012

Primary Location of Books and Records 295 Lafayette Street, New York, NY, US 10012, (646)403-3677

Internet Website Address www.hioscar.com

Statutory Statement Contact Aaron Crawford, acrawford@hioscar.com, (646)403-3677, (212)226-1283

OFFICERS

Table with 2 columns: Name, Title. Includes Mario Schlosser (Chief Executive Officer), Joel Klein (Chief Policy & Strategy Officer), Brian West (Chief Financial Officer and Treasurer), Fausto Palazzetti (Chief Actuary Officer), John Loser (Chief Risk Officer), Deena Gianoncelli (Chief People Officer), Alan Warren (Chief Technical Officer).

OTHERS

Bruce Gottlieb, Secretary #

DIRECTORS OR TRUSTEES

Mario Schlosser, Brian West #, Kareem Zaki #, Joel Cutler #, Joel Klein #, Alan Warren #, John Loser #

State of New York, County of New York ss

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

(Signature) Mario Schlosser, (Printed Name) 1. Chief Executive Officer (Title)

(Signature) Joel Klein, (Printed Name) 2. Chief Policy & Strategy Officer (Title)

(Signature) Brian West, (Printed Name) 3. Chief Financial Officer & Treasurer (Title)

Subscribed and sworn to before me this day of , 2017

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

Yes[ ] No[X], 1, 04/03/2017

(Notary Public Signature)

## LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$.....3,035,305 reinsurance ceded) .....	16,966,122		16,966,122	2,981,571
2. Accrued medical incentive pool and bonus amounts .....				
3. Unpaid claims adjustment expenses .....	380,980		380,980	63,837
4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act .....	28,964,223		28,964,223	810,305
5. Aggregate life policy reserves .....				
6. Property/casualty unearned premium reserves .....				
7. Aggregate health claim reserves .....	8,460,433		8,460,433	
8. Premiums received in advance .....				1,772,871
9. General expenses due or accrued .....	2,858,083		2,858,083	623,696
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)) .....				
10.2 Net deferred tax liability .....				
11. Ceded reinsurance premiums payable .....	741,931		741,931	146,744
12. Amounts withheld or retained for the account of others .....				
13. Remittances and items not allocated .....				
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) .....				
15. Amounts due to parent, subsidiaries and affiliates .....	1,817,057		1,817,057	3,905,530
16. Derivatives .....				
17. Payable for securities .....				
18. Payable for securities lending .....				
19. Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) .....				
20. Reinsurance in unauthorized and certified (\$.....0) companies .....				
21. Net adjustments in assets and liabilities due to foreign exchange rates .....				
22. Liability for amounts held under uninsured plans .....				
23. Aggregate write-ins for other liabilities (including \$.....0 current) .....				
24. TOTAL Liabilities (Lines 1 to 23) .....	60,188,829		60,188,829	10,304,554
25. Aggregate write-ins for special surplus funds .....	X X X	X X X		
26. Common capital stock .....	X X X	X X X	700,000	700,000
27. Preferred capital stock .....	X X X	X X X		
28. Gross paid in and contributed surplus .....	X X X	X X X	41,688,309	20,388,309
29. Surplus notes .....	X X X	X X X		
30. Aggregate write-ins for other than special surplus funds .....	X X X	X X X		
31. Unassigned funds (surplus) .....	X X X	X X X	(32,200,200)	(16,505,632)
32. Less treasury stock, at cost:				
32.1 .....0 shares common (value included in Line 26 \$.....0) .....	X X X	X X X		
32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....	X X X	X X X		
33. TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32) .....	X X X	X X X	10,188,109	4,582,677
34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) .....	X X X	X X X	70,376,938	14,887,231
<b>DETAILS OF WRITE-INS</b>				
2301. ....				
2302. ....				
2303. ....				
2398. Summary of remaining write-ins for Line 23 from overflow page .....				
2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....				
2501. ....	X X X	X X X		
2502. ....	X X X	X X X		
2503. ....	X X X	X X X		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	X X X	X X X		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	X X X	X X X		
3001. ....	X X X	X X X		
3002. ....	X X X	X X X		
3003. ....	X X X	X X X		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	X X X	X X X		
3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....	X X X	X X X		

## STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months .....	X X X	275,451	27,789
2. Net premium income (including \$.....0 non-health premium income) .....	X X X	82,075,378	9,027,091
3. Change in unearned premium reserves and reserve for rate credits .....	X X X		
4. Fee-for-service (net of \$.....0 medical expenses) .....	X X X		
5. Risk revenue .....	X X X		
6. Aggregate write-ins for other health care related revenues .....	X X X		
7. Aggregate write-ins for other non-health revenues .....	X X X		
8. TOTAL Revenues (Lines 2 to 7) .....	X X X	82,075,378	9,027,091
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		56,509,608	6,706,027
10. Other professional services .....		3,000,495	229,168
11. Outside referrals .....			
12. Emergency room and out-of-area .....		1,049,299	21,521
13. Prescription drugs .....		17,628,891	1,553,444
14. Aggregate write-ins for other hospital and medical .....			
15. Incentive pool, withhold adjustments and bonus amounts .....			
16. Subtotal (Lines 9 to 15) .....		78,188,293	8,510,160
<b>Less:</b>			
17. Net reinsurance recoveries .....		7,042,620	892,021
18. TOTAL Hospital and Medical (Lines 16 minus 17) .....		71,145,673	7,618,139
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$.....5,481,022 cost containment expenses .....		7,084,206	2,424,510
21. General administrative expenses .....		18,877,244	11,968,469
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....			
23. TOTAL Underwriting Deductions (Lines 18 through 22) .....		97,107,123	22,011,118
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	X X X	(15,031,745)	(12,984,027)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		564	
26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....			
27. Net investment gains (losses) (Lines 25 plus 26) .....		564	
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] .....			
29. Aggregate write-ins for other income or expenses .....			
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....	X X X	(15,031,181)	(12,984,027)
31. Federal and foreign income taxes incurred .....	X X X		
32. Net income (loss) (Lines 30 minus 31) .....	X X X	(15,031,181)	(12,984,027)
<b>DETAILS OF WRITE-INS</b>			
0601. ....	X X X		
0602. ....	X X X		
0603. ....	X X X		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	X X X		
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....	X X X		
0701. ....	X X X		
0702. ....	X X X		
0703. ....	X X X		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	X X X		
0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....	X X X		
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....			
2901. interest Income .....			
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....			
2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....			

## STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year	Prior Year
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>			
33.	Capital and surplus prior reporting year .....	4,582,677	3,580,526
34.	Net income or (loss) from Line 32 .....	(15,031,181)	(12,984,027)
35.	Change in valuation basis of aggregate policy and claim reserves .....		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 .....		
37.	Change in net unrealized foreign exchange capital gain or (loss) .....		
38.	Change in net deferred income tax .....		
39.	Change in nonadmitted assets .....	(663,387)	(113,822)
40.	Change in unauthorized and certified reinsurance .....		
41.	Change in treasury stock .....		
42.	Change in surplus notes .....		
43.	Cumulative effect of changes in accounting principles .....		
44.	Capital Changes:		
44.1	Paid in .....		
44.2	Transferred from surplus (Stock Dividend) .....		
44.3	Transferred to surplus .....		
45.	Surplus adjustments:		
45.1	Paid in .....	21,300,000	14,100,000
45.2	Transferred to capital (Stock Dividend) .....		
45.3	Transferred from capital .....		
46.	Dividends to stockholders .....		
47.	Aggregate write-ins for gains or (losses) in surplus .....		
48.	Net change in capital and surplus (Lines 34 to 47) .....	5,605,432	1,002,151
49.	Capital and surplus end of reporting year (Line 33 plus 48) .....	10,188,109	4,582,677
<b>DETAILS OF WRITE-INS</b>			
4701.	.....		
4702.	.....		
4703.	.....		
4798.	Summary of remaining write-ins for Line 47 from overflow page .....		
4799.	TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....		

## 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 Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	82,075,378	82,075,378								
2. Change in unearned premium reserves and reserve for rate credit .....										
3. Fee-for-service (net of \$.....0 medical expenses) .....										XXX
4. Risk revenue .....										XXX
5. Aggregate write-ins for other health care related revenues .....										XXX
6. Aggregate write-ins for other non-health care related revenues .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
7. TOTAL Revenues (Lines 1 to 6) .....	82,075,378	82,075,378								
8. Hospital/medical benefits .....	56,509,608	56,509,608								XXX
9. Other professional services .....	3,000,495	3,000,495								XXX
10. Outside referrals .....										XXX
11. Emergency room and out-of-area .....	1,049,299	1,049,299								XXX
12. Prescription drugs .....	17,628,891	17,628,891								XXX
13. Aggregate write-ins for other hospital and medical .....										XXX
14. Incentive pool, withhold adjustments and bonus amounts .....										XXX
15. Subtotal (Lines 8 to 14) .....	78,188,293	78,188,293								XXX
16. Net reinsurance recoveries .....	7,042,620	7,042,620								XXX
17. TOTAL Hospital and Medical (Lines 15 minus 16) .....	71,145,673	71,145,673								XXX
18. Non-health claims (net) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$.....5,481,022 cost containment expenses .....	7,084,206	7,084,206								
20. General administrative expenses .....	18,877,244	18,877,244								
21. Increase in reserves for accident and health contracts .....										XXX
22. Increase in reserves for life contracts .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. TOTAL Underwriting Deductions (Lines 17 to 22) .....	97,107,123	97,107,123								
24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....	(15,031,745)	(15,031,745)								
<b>DETAILS OF WRITE-INS</b>										
0501. ....										XXX
0502. ....										XXX
0503. ....										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page .....										XXX
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....										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 .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
1301. ....										XXX
1302. ....										XXX
1303. ....										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....										XXX
1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....										XXX

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS

		1	2	3	4
	Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Columns 1 + 2 - 3)
1.	Comprehensive (hospital and medical) .....	84,508,065		2,432,687	82,075,378
2.	Medicare Supplement .....				
3.	Dental only .....				
4.	Vision only .....				
5.	Federal Employees Health Benefits Plan .....				
6.	Title XVIII - Medicare .....				
7.	Title XIX - Medicaid .....				
8.	Other health .....				
9.	Health subtotal (Lines 1 through 8) .....	84,508,065		2,432,687	82,075,378
10.	Life .....				
11.	Property/casualty .....				
12.	TOTALS (Lines 9 to 11) .....	84,508,065		2,432,687	82,075,378

## 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 .....	54,407,778	54,407,778								
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....	866,845	866,845								
1.4 Net .....	53,540,933	53,540,933								
2. Paid medical incentive pools and bonuses .....										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	20,001,427	20,001,427								
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....	3,035,305	3,035,305								
3.4 Net .....	16,966,122	16,966,122								
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct .....	8,460,433	8,460,433								
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....										
4.4 Net .....	8,460,433	8,460,433								
5. Accrued medical incentive pools and bonuses, current year .....										
6. Net healthcare receivables (a) .....	1,329,877	1,329,877								
7. Amounts recoverable from reinsurers December 31, current year .....	4,032,491	4,032,491								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct .....	3,351,468	3,351,468								
8.2 Reinsurance assumed .....										
8.3 Reinsurance ceded .....	369,897	369,897								
8.4 Net .....	2,981,571	2,981,571								
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct .....										
9.2 Reinsurance assumed .....										
9.3 Reinsurance ceded .....										
9.4 Net .....										
10. Accrued medical incentive pools and bonuses, prior year .....										
11. Amounts recoverable from reinsurers December 31, prior year .....										
12. Incurred benefits:										
12.1 Direct .....	78,188,293	78,188,293								
12.2 Reinsurance assumed .....										
12.3 Reinsurance ceded .....	7,564,744	7,564,744								
12.4 Net .....	70,623,549	70,623,549								
13. Incurred medical incentive pools and bonuses .....										

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



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Compre- hensive (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. Reported in Process of Adjustment:										
1.1 Direct .....	3,371,305	3,371,305								
1.2 Reinsurance assumed .....										
1.3 Reinsurance ceded .....										
1.4 Net .....	3,371,305	3,371,305								
2. Incurred but Unreported:										
2.1 Direct .....	16,630,122	16,630,122								
2.2 Reinsurance assumed .....										
2.3 Reinsurance ceded .....	3,035,305	3,035,305								
2.4 Net .....	13,594,817	13,594,817								
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....										
3.2 Reinsurance assumed .....										
3.3 Reinsurance ceded .....										
3.4 Net .....										
4. TOTALS										
4.1 Direct .....	20,001,427	20,001,427								
4.2 Reinsurance assumed .....										
4.3 Reinsurance ceded .....	3,035,305	3,035,305								
4.4 Net .....	16,966,122	16,966,122								

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....0 for occupancy of own building) .....					
2. Salaries, wages and other benefits .....	711,259	796,032	8,562,953		10,070,244
3. Commissions (less \$.....0 ceded plus \$.....0 assumed) .....	470	939	82,979		84,388
4. Legal fees and expenses .....	6,646	555	81,241		88,442
5. Certifications and accreditation fees .....	93,125	2,522	107,004		202,651
6. Auditing, actuarial and other consulting services .....	106,879	26,653	787,393		920,925
7. Traveling expenses .....	9,284	9,957	132,550		151,791
8. Marketing and advertising .....	2,642	20,349	2,058,346		2,081,337
9. Postage, express and telephone .....		45,385			45,385
10. Printing and office supplies .....		21,019			21,019
11. Occupancy, depreciation and amortization .....	39,019	187,949	850,198		1,077,166
12. Equipment .....	4,394	19,609	154,099		178,102
13. Cost or depreciation of EDP equipment and software .....					
14. Outsourced services including EDP, claims, and other services .....	1,112,023	2,579	30,841		1,145,443
15. Boards, bureaus and association fees .....					
16. Insurance, except on real estate .....			26,699		26,699
17. Collection and bank service charges .....		23,634	322,866		346,500
18. Group service and administration fees .....	3,395,281	436,270	31,480		3,863,031
19. Reimbursements by uninsured plans .....					
20. Reimbursements from fiscal intermediaries .....					
21. Real estate expenses .....					
22. Real estate taxes .....					
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....					
23.2 State premium taxes .....			5,560,365		5,560,365
23.3 Regulatory authority licenses and fees .....					
23.4 Payroll taxes .....					
23.5 Other (excluding federal income and real estate taxes) .....					
24. Investment expenses not included elsewhere .....					
25. Aggregate write-ins for expenses .....		9,732	88,230		97,962
26. TOTAL Expenses Incurred (Lines 1 to 25) .....	5,481,022	1,603,184	18,877,244		(a) 25,961,450
27. Less expenses unpaid December 31, current year .....			2,858,083		2,858,083
28. Add expenses unpaid December 31, prior year .....			416,353		416,353
29. Amounts receivable relating to uninsured plans, prior year .....					
30. Amounts receivable relating to uninsured plans, current year .....					
31. TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	5,481,022	1,603,184	16,435,514		23,519,720
<b>DETAILS OF WRITE-INS</b>					
2501. Interest Penalties .....		9,732	88,230		97,962
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page .....					
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....		9,732	88,230		97,962

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

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

- A. The accompanying financial statements of Oscar Insurance Corporation of New Jersey (the "Company") have been prepared in conformity with accounting practices prescribed or permitted by the New Jersey Department of Banking and Insurance (NJDOBI).

Our members were first effectuated January 1, 2015 after which Oscar began reporting premiums earned and claims expenses. The Company left the individual market place effective January 1, 2017 and has no members for the 2017 data year.

A reconciliation of The Company's net income and capital surplus between NAIC SAP and practices prescribed or permitted by New Jersey Statutory Accounting Principles ("NJ SAP") is shown below:

	SSAP #	F/S Page	F/S Line #	2016	2015
<b>NET INCOME\$</b>					
(1) Net income (loss), NJ SAP (Page 4, Line 32,	XXX	XXX	XXX	(\$15,031,181)	(\$12,984,027)
(2) State Prescribed Practices that increase/(decrease)				-	-
(3) Net income (loss), NAIC SAP (1-2-3=4)	XXX	XXX	XXX	(\$15,031,181)	(\$12,984,027)
<b>SURPLUS</b>					
(4) Statutory Surplus, NJ SAP (Page 3, Line 33,	XXX	XXX	XXX	\$10,188,109	\$4,582,677
(5) State Prescribed Practices that increase/(decrease)				-	-
(6) Statutory Surplus, NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$10,188,109	\$4,582,677

- B. The preparation of these statutory-basis financial statements requires management to make estimates and assumptions that affect the amounts reported in the statutory-basis financial statements and accompanying notes. Actual results could differ from those estimates. Such estimates and assumptions could change in the future as more information becomes known which could impact the amounts reported and disclosed herein. Estimates that are particularly susceptible to change include assumptions used in determining the loss and LAE reserves.
- C. Premiums are earned ratably over the terms of the related insurance policies. Ceded premiums are earned ratably over the terms of the applicable reinsurance contracts. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as marketing, are charged to operations as incurred.

In addition, the company uses the following accounting policies:

- (1-9) Not applicable
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54, Individual and Group Accident and Health Contracts.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while the management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The company has not modified its capitalization policy from the prior period.
- (13) The company's Pharmacy Benefit Manager - CVSHealth has a contractually guaranteed minimum pharmaceutical rebates. These amounts determine the company's estimated receivable adjusted for payments received.
- (14) Going Concern

As of December 31, 2016, the management team has evaluated the Company's operations and financial position. No uncertainties or doubt exists about the Company's ability to continue as a going concern.

### 2. Accounting Changes and Corrections of Errors

There were no accounting changes or correction of errors during 2016.

### 3. Business Combinations and Goodwill

The Company had no business combinations or goodwill.

## Notes to Financial Statements

#### 4. Discontinued Operations

The Company had no discontinued operations during 2016 or 2015.

#### 5. Investments

The Company held no investments during 2016 or 2015.

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

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

#### 7. Investment Income

The Company had no investment income due and accrued.

#### 8. Derivative Instruments

The Company has no derivative instruments.

#### 9. Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31 are as follows.

1) Current, previous and change in Current Tax Assets

1. Description	12/31/2016			12/31/2015			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 – 4) Ordinary	(8) (Col. 2 – 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$10,939,697	-	\$10,939,697	\$5,596,806	-	\$5,596,806	\$5,342,891	-	\$5,342,891
(b) Statutory Valuation Allowance Adjustments	\$10,933,778	-	\$10,933,778	\$5,596,806	-	\$5,596,806	\$5,336,972	-	\$5,336,972
(c) Adjusted Gross Deferred Tax Assets (1a – 1b)	\$5,919	-	\$5,919	-	-	-	\$5,919	-	\$5,919
(d) Deferred Tax Assets Nonadmitted	-	-	-	-	-	-	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c – 1d)	\$5,919	-	\$5,919	-	-	-	\$5,919	-	\$5,919
(f) Deferred Tax Liabilities	\$5,919	-	\$5,919	-	-	-	\$5,919	-	\$5,919
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax	-	-	-	-	-	-	-	-	-

## Notes to Financial Statements

## 2) Admission Calculation Components SSAP No. 101

2.	Admission Calculation Components SSAP No. 101	12/31/2016			12/31/2015			Change		
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 – 4) Ordinary	(Col. 2 – 5) Capital	(Col. 7 + 8) Total
	(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	-	-	-	-	-	-	-	-	-
	(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) Above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 below)	-	-	-	-	-	-	-	-	-
	1 Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	-	-	-	-	-	-	-	-	-
	2 Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	-	XXX	XXX	-	XXX	XXX	-
	(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	-	-	-	-	-	-	-	-	-
	(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	-	-	-	-	-	-	-	-	-

## 3) Threshold Limitation

	2016	2015
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount	0%	0%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above	\$10,188,109	\$3,580,526

## 4) Not applicable. The Company did not use tax-planning strategies

B. Not applicable

C. Not applicable

D. Not applicable

E. (1)-(2) At December 31, 2016, the Company had unused operating loss carryforwards available to offset against future taxable income of \$28,264,269. The origination and expiration of the carryforwards are as follows:

<u>Amount</u>	<u>Origination Date</u>	<u>Expiration Date</u>
\$1,846,523	December 31, 2014	December 31, 2029
\$3,749,477	December 31, 2015	December 31, 2030
\$22,668,269	December 31, 2016	December 31, 2031

(3) Not applicable

## Notes to Financial Statements

- F. The Company's federal income tax return will be consolidated with the following entities for the reporting year: Mulberry Health Inc. (Mulberry), Oscar Insurance Corporation, Oscar Health Plan of California, Oscar Insurance Company of Texas and Mulberry Management Corporation.
- G. Not applicable

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

- A. In 2013, Mulberry Health Inc. (Mulberry) funded the Company in order to meet the reserve requirements established by the NJDOBI, as well as the ongoing operating expenses of the Company.
- B. The Company received capital contributions of \$21,300,000 and \$14,100,000 in the year ending December 31, 2016 and December 31, 2015, respectively from its parent Mulberry.
- C. A summary of the contributions is as follows:

Fiscal Year Ended	Amount
2015	\$ 14,100,000
2016	\$ 21,300,000
<u>Total at Dec. 31, 2016</u>	<u>\$ 35,400,000</u>

The cash was accounted for as a capital contribution credited to additional paid in capital.

- D. The Company was due to pay \$1,817,057 to parent and affiliate companies Mulberry Health Inc. and Oscar Insurance Corporation as of December 31, 2016 for operating expenses paid on their behalf. The terms of settlement require that these amounts be settled 60 days after receipt of invoice.
- E. None.
- F. Certain General and Administrative costs, including personnel and facility costs as well as charges for legal, marketing and accounting services are paid by Oscar Insurance Corporation and subsequently reimbursed by affiliated companies.
- G. All outstanding shares of The Company are owned by the parent company, Mulberry Health Inc., an insurance holding company domiciled in the State of Delaware.
- H. The Company owns no shares of an upstream, intermediate, or ultimate parent, either directly or indirectly.

I–N. None

### 11. Debt

Not applicable.

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

Not applicable

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

- (1) The company has 140,000 shares, with a par value of \$5 authorized, issued and outstanding as of December 31, 2016. All shares are Class A shares.
- (2) No preferred stock has been authorized.
- (3) Under New Jersey law, the Company may pay cash dividends only from earned surplus determined on a statutory basis. Further, the Company is restricted (on the basis of the lower of 10% of the Company's statutory surplus as shown by its last statement on file with the superintendent, or one hundred percent of adjustment net investment income for such period) as to the amount of dividends it may declare or pay in any twelve month period without the prior approval of the NJDOBI.

(4)-(8) Not applicable.

## Notes to Financial Statements

(9) Changes in balances of special surplus funds from the prior year of-\$0- Is due to the Consolidated Appropriations Act of 2016 which imposed moratorium on the Health Insurance Provider's fee for the 2017 fee year (2016 data year), the segregation of special surplus funds during 2016 is not required.

(10)-(13) Not applicable.

### 14. Liabilities, Contingencies and Assessments

Not applicable.

### 15. Leases

Not Applicable

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

Not applicable.

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

Not Applicable

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

Not applicable

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

Not Applicable

### 20. Fair Value Measurement

#### A. Fair Value Measurement at Reporting Date

As of December 31, 2016, all financial assets were held in non-interest bearing cash accounts except for a \$100,679 Certificate of Deposit. The Company classified these assets as Level 2 investments given they have readily observable prices at the measurement date.

<u>Description</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
<b>a. Assets at fair value</b>				
Certificate of Deposit	\$0	\$100,679	\$0	\$100,679
<u>Total Assets at FV:</u>	<u>\$0</u>	<u>\$100,679</u>	<u>\$0</u>	<u>\$100,679</u>
<b>b. Liabilities at fair value</b>				
None	\$0	\$0	\$0	\$0
<u>Total Liabilities at FV:</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

As of December 31, 2016, the reported fair value of the Company's investments in Level 2 assets, a certificate of deposit, was \$100,679. To measure the fair value of the certificate of deposit, the Company relied on the year-end account statement provided by the bank.

#### B. Aggregate Fair Value of Financial Instruments

<u>Type of Financial Instrument</u>	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Not Practicable (Carrying Value)</u>
Certificate of Deposit	\$100,679	\$100,679	\$0	\$100,679	\$0	\$100,679

### 21. Other Items

A. Unusual or Infrequent Items  
Not Applicable

## Notes to Financial Statements

- B. Troubled Debt Restructuring: Debtors  
Not Applicable
- C. Other Disclosures  
Not Applicable
- D. Business Interruption Insurance Recoveries  
Not Applicable
- E. State Transferable and Non-Transferable Tax Credits  
Not Applicable
- F. Subprime Mortgage Related Risk Exposure  
Not applicable
- G. Retained Assets  
Not Applicable
- H. Insurance-Linked Securities (ILS) Contracts  
Not Applicable

**22. Events Subsequent**Type I – Recognized Subsequent Events:

There have been no Type I events. Subsequent Events have been considered through February 28, 2017 for the statutory annual 2016 statements.

Type II – Unrecognized Subsequent Events:

There have been no Type II events. Subsequent Events have been considered through February 28, 2017 for the statutory annual 2016 statements.

On January 1, 2017, the Company will be subject to an annual fee under Section 9010 of the federal Affordable Care Act (ACA). 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 of the year the fee is due. As of December 31, 2016, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2017, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2017 to be \$0. This amount is reflected in special surplus. This assessment is expected to impact risk based capital (RBC) by 0%. Reporting the ACA assessment as of December 31, 2016, would not have triggered an RBC action level.

Description	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	No	
B. ACA fee assessment payable for the upcoming year	-	-
C. ACA fee assessment paid	-	-
D. Premium written subject to ACA 9010 assessment	-	-
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	\$10,188,109	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B)	\$10,188,109	
G. Authorized Control Level (Five-Year Historical Line 15)	\$3,895,964	
H. Would reporting the ACA assessment as of December 31, 2016 have triggered an RBC action level (YES/NO)?	No	



## Notes to Financial Statements

### 23. Reinsurance

#### A. Ceded Reinsurance Report

##### Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, office, trustee, or director of the company?

Yes( ) No (X)

2. Have any policies issued by the corporation been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, office, trustee, or director of the company?

Yes( ) No (X)

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

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premiums or other similar credit?

Yes( ) No (X)

a. Not Applicable

b. The total amount of reinsurance credits taken as an asset or reduction of a liability is \$7,067,796. (both private reinsurance and the Transitional Reinsurance Program)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits for other reinsurance agreements with the same insurer, exceed the total of direct premium collected under the reinsured policies.

Yes( ) No (X)

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

- (1) The estimated change in surplus for elimination of all reinsurance amounts would be (\$10,935,801).
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement.

Yes( ) No (X)

B. Uncollectable Reinsurance  
Not Applicable

C. Commutation of Reinsurance  
Not Applicable

D. Certified Reinsurer Downgraded or Status Subject to Revocation  
Not Applicable

## Notes to Financial Statements

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

- A. No Significant Changes
- B. No Significant Changes
- C. No Significant Changes
- D. No Significant Changes
  
- E. Risk Sharing Provisions of the Affordable Care Act

(1) Did the Reporting entity write accident and health insurance premiums which is subject to the Affordable Care Act risk sharing provisions? **YES**

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Assets, Liabilities, and Revenue for the Current Year. Asset balances shall reflect admitted asset balances.

Description	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to ACA Risk Adjustment	-
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$22,178
3. Premium adjustments payable due to ACA Risk Adjustment	\$28,964,223
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts	(\$30,111,214)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	(\$22,178)
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$3,002,686
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	\$2,141,379
3. Amounts receivable relating to uninsured plans for contributions for ACA	-
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as	-
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$741,929
6. Liabilities for amounts held under uninsured plans contributions for ACA	-
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	(\$573,354)
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or	\$5,185,130
9. ACA Reinsurance contributions – not reported as ceded premium	-
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk	-
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	-
4. Effect of ACA Risk Corridors on change in reserves for rate credits	-

## Notes to Financial Statements

- (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any non-admission) and liability balances, along with the reasons for the adjustments to prior year balances.

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
Permanent ACA Risk Adjustment Program											
Premium adjustments receivable	-	-	-	-	-	-	-	-	A	-	-
Premium adjustments (payable)	-	\$810,305	-	\$1,957,296	-	(\$1,146,991)	-	\$1,146,991	B	-	-
Subtotal ACA Permanent Risk Adjustment Program	-	\$810,305	-	\$1,957,296	-	(\$1,146,991)	-	\$1,146,991		-	-
Transitional ACA Reinsurance Program											
Amounts recoverable for claims paid	\$522,124	-	\$666,425	-	(\$144,301)	-	\$144,301	-	C	-	-
Amounts recoverable for claims unpaid (contra liability)	\$278,319	-	\$278,319	-	-	-	-	-	D	-	-
Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	-	-	-	-	-	-	-	-	F	-	-
Ceded reinsurance premiums payable	-	\$102,235	-	-	-	\$102,235	-	-	G	-	\$102,235
Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
Subtotal ACA Transitional Reinsurance Program	\$800,443	\$102,235	\$944,744	-	(\$144,301)	\$102,235	\$144,301	-		-	\$102,235
Temporary ACA Risk Corridors Program											
Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-		-	-
Total for ACA Risk Sharing Provisions	\$800,443	\$912,540	\$944,744	\$1,957,296	(\$144,301)	(\$1,044,756)	\$144,301	\$1,146,991		-	\$102,235

Explanation of Adjustments

- A. Variance between actual and estimate.  
B. Variance between actual and estimate.  
C. Variance between actual and estimate.

## Notes to Financial Statements

## (4) Roll forward of risk corridors asset and liability balances by program benefit year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1 - 3 +7)	Cumulative Balance from Prior Years (Col 2 - 4 +8)	
	1	2	3	4	5	6	7	8	Re	9	10
	Receivabl	(Payable)	Receivabl	(Payable)	Receivable	(Payable)	Receivabl	(Payable)		Receivabl	(Payable)
a. 2014											
1. Accrued retrospective	-	-	-	-	-	-	-	-	A	-	-
2. Reserve for rate credits or policy experience rating	-	-	-	-	-	-	-	-	B	-	-
b. 2015											
1. Accrued retrospective	-	-	-	-	-	-	-	-	C	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
c. 2016											
1. Accrued retrospective	-	-	-	-	-	-	-	-	E	-	-
2. Reserve for rate credits or policy experience rating	-	-	-	-	-	-	-	-	F	-	-
d. Total for risk corridors	-	-	-	-	-	-	-	-		-	-

## Notes to Financial Statements

## (5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	(1) Estimated Amount to be Filed or Final Amount Filed with CMS	(2) Non-Accrued Amounts for Impairment or Other Reasons	(3) Amounts received from CMS	(4) Asset Balance (Gross of Non- admissions)	(5) Non-admitted Amount	(6) Net Admitted Asset (4-5)
a. 2014	-	-	-	-	-	-
b. 2015	-	-	-	-	-	-
c. 2016	-	-	-	-	-	-
d. Total (a+b+c)	-	-	-	-	-	-

**25. Change in Incurred Claims and Claim Adjustment Expenses**

Reserves as of December 31, 2015 were \$3,351,468. As of December 31, 2016, \$2,324,965 has been paid for insured claims attributable to insured events of the prior years. Claim adjustment expenses are assumed paid for current year. Reserves remaining for prior years are now \$37,474 as a result of re-estimation of unpaid claims and claim adjustment expense principally on our health line of business. Therefore, there has been a (\$989,026) unfavorable (favorable) prior-year development December 31, 2015 to December 31, 2016. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

**26. Intercompany Pooling Arrangements**

Not applicable.

**27. Structured Settlements**

Not applicable

**28. Health Care Receivables****A. Pharmaceutical Rebate Receivables**

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
2016 Q4	\$657,069	-	-	-	-
2016 Q3	\$562,325	\$581,955	-	-	-
2016 Q2	\$498,273	\$515,772	-	\$385,373	-
2016 Q1	\$330,126	\$341,633	-	-	\$332,542
2015 Q4	\$25,561	\$27,649	-	\$10,163	\$15,398
2015 Q3	\$52,064	\$56,642	-	\$4,381	\$47,684
2015 Q2	\$57,775	\$57,799	-	\$8,423	\$49,352
2015 Q1	\$16,182	\$16,376	-	\$2,037	\$14,145

**29. Participating Policies**

Not applicable.

**30. Premium Deficiency Reserves**

Not Applicable

**31. Anticipated Salvage and Subrogation**

Not applicable.

## FIVE-YEAR HISTORICAL DATA

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>BALANCE SHEET (Pages 2 and 3)</b>					
1. TOTAL Admitted Assets (Page 2, Line 28) .....	70,376,938	14,887,231			
2. TOTAL Liabilities (Page 3, Line 24) .....	60,188,829	10,304,554			
3. Statutory minimum capital and surplus requirement .....	2,800,000		2,800,000		
4. TOTAL Capital and Surplus (Page 3, Line 33) .....	10,188,109	4,582,677			
<b>INCOME STATEMENT (Page 4)</b>					
5. TOTAL Revenues (Line 8) .....	82,075,378	9,027,091			
6. TOTAL Medical and Hospital Expenses (Line 18) .....	71,145,673	7,618,139			
7. Claims adjustment expenses (Line 20) .....	7,084,206	2,424,510			
8. TOTAL Administrative Expenses (Line 21) .....	18,877,244	11,968,469			
9. Net underwriting gain (loss) (Line 24) .....	(15,031,745)	(12,984,027)			
10. Net investment gain (loss) (Line 27) .....	564				
11. TOTAL Other Income (Lines 28 plus 29) .....					
12. Net income or (loss) (Line 32) .....	(15,031,181)	(12,984,027)			
<b>Cash Flow (Page 6)</b>					
13. Net cash from operations (Line 11) .....	32,677,874	(4,337,221)			
<b>RISK-BASED CAPITAL ANALYSIS</b>					
14. TOTAL Adjusted Capital .....	10,188,109		3,580,526		
15. Authorized control level risk-based capital .....	3,895,964		6,609		
<b>ENROLLMENT (Exhibit 1)</b>					
16. TOTAL Members at End of Period (Column 5, Line 7) .....	21,267				
17. TOTAL Members Months (Column 6, Line 7) .....	275,451				
<b>OPERATING PERCENTAGE (Page 4)</b>					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....	100.0	100.0	100.0	100.0	100.0
19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19) .....	86.7	84.4			
20. Cost containment expenses .....	6.7				
21. Other claims adjustment expenses .....	2.0				
22. TOTAL Underwriting Deductions (Line 23) .....	118.3	243.8			
23. TOTAL Underwriting Gain (Loss) (Line 24) .....	(18.3)	(143.8)			
<b>UNPAID CLAIMS ANALYSIS</b>					
(U&I Exhibit, Part 2B)					
24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5) .....	1,982,806				
25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] .....	2,866,834				
<b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Column 1) .....					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1) .....					
28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1) .....					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) .....					
30. Affiliated mortgage loans on real estate .....					
31. All other affiliated .....					
32. TOTAL of Above Lines 26 to 31 .....					
33. TOTAL Investment in Parent Included in Lines 26 to 31 above .....					

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

If no, please explain::



# ANNUAL STATEMENT

## For the Year Ending DECEMBER 31, 2016

### OF THE CONDITION AND AFFAIRS OF THE

# Oscar Insurance Corporation of New Jersey

NAIC Group Code	4818 <small>(Current Period)</small>	4818 <small>(Prior Period)</small>	NAIC Company Code	15585	Employer's ID Number	47-1142944
Organized under the Laws of	New Jersey		State of Domicile or Port of Entry	NJ		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[ ] N/A[X]	Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[ ]		
Incorporated/Organized	06/18/2014		Commenced Business	01/01/2015		
Statutory Home Office	820 Bear Tavern Road <small>(Street and Number)</small>		West Trenton, NJ, US 08628 <small>(City or Town, State, Country and Zip Code)</small>			
Main Administrative Office	New York, NY, US 10012 <small>(City or Town, State, Country and Zip Code)</small>		295 Lafayette Street <small>(Street and Number)</small>	(646)403-3677 <small>(Area Code) (Telephone Number)</small>		
Mail Address	295 Lafayette Street <small>(Street and Number or P.O. Box)</small>		New York, NY, US 10012 <small>(City or Town, State, Country and Zip Code)</small>			
Primary Location of Books and Records	New York, NY, US 10012 <small>(City or Town, State, Country and Zip Code)</small>		295 Lafayette Street <small>(Street and Number)</small>	(646)403-3677 <small>(Area Code) (Telephone Number)</small>		
Internet Website Address	www.hioscar.com					
Statutory Statement Contact	Aaron Crawford <small>(Name)</small>		(646)403-3677 <small>(Area Code)(Telephone Number)(Extension)</small>			
	acrawford@hioscar.com <small>(E-Mail Address)</small>		(212)226-1283 <small>(Fax Number)</small>			

### OFFICERS

Name	Title
Mario Schlosser	Chief Executive Officer
Joel Klein	Chief Policy & Strategy Officer
Brian West	Chief Financial Officer and Treasurer
Fausto Palazzetti	Chief Actuary Officer #
John Loser	Chief Risk Officer #
Deena Gianoncelli	Chief People Officer #
Alan Warren	Chief Technical Officer

### OTHERS

Bruce Gottlieb, Secretary #

### DIRECTORS OR TRUSTEES

Mario Schlosser	Joel Klein #
Brian West #	Alan Warren #
Kareem Zaki #	John Loser #
Joel Cutler #	

State of           New York            
County of           New York                ss

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

(Signature) Mario Schlosser	(Signature) Joel Klein	(Signature) Brian West
(Printed Name) 1.	(Printed Name) 2.	(Printed Name) 3.
Chief Executive Officer	Chief Policy & Strategy Officer	Chief Financial Officer & Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017

- a. Is this an original filing?  
b. If no,    1. State the amendment number  
              2. Date filed  
              3. Number of pages attached

Yes[X] No[ ]

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Notary Public Signature)

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities						
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies						
1.22 Issued by U.S. government sponsored agencies						
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)						
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations						
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations						
1.43 Revenue and assessment obligations						
1.44 Industrial development and similar obligations						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or Guaranteed by GNMA						
1.512 Issued or Guaranteed by FNMA and FHLMC						
1.513 All other						
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA						
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521						
1.523 All other						
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)						
2.2 Unaffiliated Non-U.S. securities (including Canada)						
2.3 Affiliated securities						
3. Equity interests:						
3.1 Investments in mutual funds						
3.2 Preferred stocks:						
3.21 Affiliated						
3.22 Unaffiliated						
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated						
3.32 Unaffiliated						
3.4 Other equity securities:						
3.41 Affiliated						
3.42 Unaffiliated						
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated						
3.52 Unaffiliated						
4. Mortgage loans:						
4.1 Construction and land development						
4.2 Agricultural						
4.3 Single family residential properties						
4.4 Multifamily residential properties						
4.5 Commercial loans						
4.6 Mezzanine real estate loans						
5. Real estate investments:						
5.1 Property occupied by company						
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt)						
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt)						
6. Contract loans						
7. Derivatives						
8. Receivables for securities						
9. Securities Lending (Line 10, Asset Page reinvested collateral)				X X X	X X X	X X X
10. Cash, cash equivalents and short-term investments	65,646,259	100.000	65,646,259		65,646,259	100.000
11. Other invested assets						
12. TOTAL Invested assets	65,646,259	100.000	65,646,259		65,646,259	100.000



SI02	Schedule A - Verification	NONE
SI02	Schedule B - Verification	NONE
SI03	Schedule BA - Verification	NONE
SI03	Schedule D - Verification	NONE
SI04	Schedule D - Summary by Country	NONE
SI05	Schedule D Part 1A Sn 1 - #1	NONE
SI06	Schedule D Part 1A Sn 1 - #2	NONE
SI07	Schedule D Part 1A Sn 1 - #3	NONE
SI08	Schedule D Part 1A Sn 2 - #1	NONE
SI09	Schedule D Part 1A Sn 2 - #2	NONE
SI10	Schedule DA - Verification	NONE
SI11	Schedule DB Part A Verification	NONE
SI11	Schedule DB Part B Verification	NONE
SI12	Schedule DB Part C Sn 1 - Rep. (Syn Asset) Transactions	NONE
SI13	Schedule DB Part C Sn 2 - Rep. (Syn Asset) Transactions	NONE
SI14	Schedule DB Verification	NONE
SI15	Schedule E - Verification	NONE

E01	Schedule A - Part 1 Real Estate Owned	NONE
E02	Schedule A - Part 2 Real Estate Acquired	NONE
E03	Schedule A - Part 3 Real Estate Disposed	NONE
E04	Schedule B Part 1 - Mortgage Loans Owned	NONE
E05	Schedule B Part 2 - Mortgage Loans Acquired	NONE
E06	Schedule B Part 3 - Mortgage Loans Disposed	NONE
E07	Schedule BA Part 1 - Long-Term Invested Assets Owned	NONE
E08	Schedule BA Part 2 - Long-Term Invested Assets Acquired	NONE
E09	Schedule BA Part 3 - Long-Term Invested Assets Disposed	NONE
E10	Schedule D - Part 1 LT Bonds Owned	NONE
E11	Schedule D - Part 2 Sn 1 Prfrd Stocks Owned	NONE
E12	Schedule D - Part 2 Sn 2 Common Stocks Owned	NONE
E13	Schedule D - Part 3 LT Bonds/Stock Acquired	NONE
E14	Schedule D - Part 4 LT Bonds/Stock Disposed	NONE
E15	Schedule D - Part 5 LT Bonds/Stocks Acquired/Disp	NONE
E16	Schedule D - Part 6 Sn 1	NONE
E16	Schedule D - Part 6 Sn 2	NONE
E17	Schedule DA - Part 1 Short-Term Investments Owned	NONE
E18	Schedule DB - Part A Sn 1 Opt/Cap/Floors/Collars/Swaps/Forwards Open	NONE
E19	Schedule DB - Part A Sn 2 Opt/Cap/Floors/Collars/Swaps/Forwards Term.	NONE
E20	Schedule DB - Part B Sn 1 Futures Contracts Open	NONE
E21	Schedule DB - Part B Sn 2 Futures Contracts Terminated	NONE
E22	Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments	NONE
E23	Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity	NONE
E23	Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity	NONE
E24	Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E25	Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

## SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
<b>open depositories</b>						
TD Bank .....					100,679	X X X
Bank of America .....					65,545,580	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories .....						
		X X X				X X X
0199999 Totals - Open Depositories .....						
		X X X			65,646,259	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....						
		X X X				X X X
0299999 Totals - Suspended Depositories .....						
		X X X				X X X
0399999 Total Cash On Deposit .....						
		X X X			65,646,259	X X X
0499999 Cash in Company's Office .....						
		X X X	X X X	X X X		X X X
0599999 Total Cash .....						
		X X X			65,646,259	X X X

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

1. January .....		4. April .....		7. July .....		10. October .....	
2. February .....		5. May .....		8. August .....		11. November .....	
3. March .....		6. June .....		9. September .....		12. December .....	

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

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

## SCHEDULE E - PART 3 - SPECIAL DEPOSITS

States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
			1. Alabama (AL) .....			
2. Alaska (AK) .....						
3. Arizona (AZ) .....						
4. Arkansas (AR) .....						
5. California (CA) .....						
6. Colorado (CO) .....						
7. Connecticut (CT) .....						
8. Delaware (DE) .....						
9. District of Columbia (DC) .....						
10. Florida (FL) .....						
11. Georgia (GA) .....						
12. Hawaii (HI) .....						
13. Idaho (ID) .....						
14. Illinois (IL) .....						
15. Indiana (IN) .....						
16. Iowa (IA) .....						
17. Kansas (KS) .....						
18. Kentucky (KY) .....						
19. Louisiana (LA) .....						
20. Maine (ME) .....						
21. Maryland (MD) .....						
22. Massachusetts (MA) .....						
23. Michigan (MI) .....						
24. Minnesota (MN) .....						
25. Mississippi (MS) .....						
26. Missouri (MO) .....						
27. Montana (MT) .....						
28. Nebraska (NE) .....						
29. Nevada (NV) .....						
30. New Hampshire (NH) .....						
31. New Jersey (NJ) .....	C	Statutory Deposit .....	100,679	100,679		
32. New Mexico (NM) .....						
33. New York (NY) .....						
34. North Carolina (NC) .....						
35. North Dakota (ND) .....						
36. Ohio (OH) .....						
37. Oklahoma (OK) .....						
38. Oregon (OR) .....						
39. Pennsylvania (PA) .....						
40. Rhode Island (RI) .....						
41. South Carolina (SC) .....						
42. South Dakota (SD) .....						
43. Tennessee (TN) .....						
44. Texas (TX) .....						
45. Utah (UT) .....						
46. Vermont (VT) .....						
47. Virginia (VA) .....						
48. Washington (WA) .....						
49. West Virginia (WV) .....						
50. Wisconsin (WI) .....						
51. Wyoming (WY) .....						
52. American Samoa (AS) .....						
53. Guam (GU) .....						
54. Puerto Rico (PR) .....						
55. U.S. Virgin Islands (VI) .....						
56. Northern Mariana Islands (MP) .....						
57. Canada (CAN) .....						
58. Aggregate Alien and Other (OT) .....	X X X	X X X				
59. TOTAL .....	X X X	X X X	100,679	100,679		
<b>DETAILS OF WRITE-INS</b>						
5801. ....						
5802. ....						
5803. ....						
5898. Summary of remaining write-ins for Line 58 from overflow page .....	X X X	X X X				
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above) .....	X X X	X X X				

# INDEX TO HEALTH ANNUAL STATEMENT

Analysis of Operations By Lines of Business .....	7
Assets .....	2
Cash Flow .....	6
Exhibit 1 - Enrollment By Product Type for Health Business Only .....	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid .....	18
Exhibit 3 - Health Care Receivables .....	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued .....	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus .....	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates .....	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates .....	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers .....	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries .....	24
Exhibit 8 - Furniture, Equipment and Supplies Owned .....	25
Exhibit of Capital Gains (Losses) .....	15
Exhibit of Net Investment Income .....	15
Exhibit of Nonadmitted Assets .....	16
Exhibit of Premiums, Enrollment and Utilization (State Page) .....	30
Five-Year Historical Data .....	29
General Interrogatories .....	27
Jurat Page .....	1
Liabilities, Capital and Surplus .....	3
Notes To Financial Statements .....	26
Overflow Page For Write-ins .....	44
Schedule A - Part 1 .....	E01
Schedule A - Part 2 .....	E02
Schedule A - Part 3 .....	E03
Schedule A - Verification Between Years .....	SI02
Schedule B - Part 1 .....	E04
Schedule B - Part 2 .....	E05
Schedule B - Part 3 .....	E06
Schedule B - Verification Between Years .....	SI02
Schedule BA - Part 1 .....	E07
Schedule BA - Part 2 .....	E08
Schedule BA - Part 3 .....	E09
Schedule BA - Verification Between Years .....	SI03
Schedule D - Part 1 .....	E10
Schedule D - Part 1A - Section 1 .....	SI05
Schedule D - Part 1A - Section 2 .....	SI08
Schedule D - Part 2 - Section 1 .....	E11
Schedule D - Part 2 - Section 2 .....	E12
Schedule D - Part 3 .....	E13
Schedule D - Part 4 .....	E14
Schedule D - Part 5 .....	E15
Schedule D - Part 6 - Section 1 .....	E16
Schedule D - Part 6 - Section 2 .....	E16
Schedule D - Summary By Country .....	SI04
Schedule D - Verification Between Years .....	SI03
Schedule DA - Part 1 .....	E17
Schedule DA - Verification Between Years .....	SI10
Schedule DB - Part A - Section 1 .....	E18
Schedule DB - Part A - Section 2 .....	E19
Schedule DB - Part A - Verification Between Years .....	SI11
Schedule DB - Part B - Section 1 .....	E20
Schedule DB - Part B - Section 2 .....	E21
Schedule DB - Part B - Verification Between Years .....	SI11
Schedule DB - Part C - Section 1 .....	SI12
Schedule DB - Part C - Section 2 .....	SI13
Schedule DB - Part D - Section 1 .....	E22
Schedule DB - Part D - Section 2 .....	E23

## INDEX TO HEALTH ANNUAL STATEMENT

Schedule DB - Verification .....	SI14
Schedule DL - Part 1 .....	E24
Schedule DL - Part 2 .....	E25
Schedule E - Part 1 - Cash .....	E26
Schedule E - Part 2 - Cash Equivalents .....	E27
Schedule E - Part 3 - Special Deposits .....	E28
Schedule E - Verification Between Years .....	SI15
Schedule S - Part 1 - Section 2 .....	31
Schedule S - Part 2 .....	32
Schedule S - Part 3 - Section 2 .....	33
Schedule S - Part 4 .....	34
Schedule S - Part 5 .....	35
Schedule S - Part 6 .....	36
Schedule S - Part 7 .....	37
Schedule T - Part 2 - Interstate Compact .....	39
Schedule T - Premiums and Other Considerations .....	38
Schedule Y - Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group .....	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System .....	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....	42
Statement of Revenue and Expenses .....	4
Summary Investment Schedule .....	SI01
Supplemental Exhibits and Schedules Interrogatories .....	43
Underwriting and Investment Exhibit - Part 1 .....	8
Underwriting and Investment Exhibit - Part 2 .....	9
Underwriting and Investment Exhibit - Part 2A .....	10
Underwriting and Investment Exhibit - Part 2B .....	11
Underwriting and Investment Exhibit - Part 2C .....	12
Underwriting and Investment Exhibit - Part 2D .....	13
Underwriting and Investment Exhibit - Part 3 .....	14

## Amended Explanation Page

Jurat with updated signatures to go with the amended filing  
Changes to premium and claims from what was originally filed.







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

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 TOTAL Individuals .....						
<b>Group Subscribers:</b>						
.....		28,958	1,588	239		30,785
0299997 Subtotal - Group Subscribers: .....		28,958	1,588	239		30,785
0299998 Premiums due and unpaid not individually listed .....						
0299999 TOTAL Group .....		28,958	1,588	239		30,785
0399999 Premiums due and unpaid from Medicare entities .....						
0499999 Premiums due and unpaid from Medicaid entities .....						
0599999 Accident and health premiums due and unpaid (Page 2, Line 15) ..		28,958	1,588	239		30,785

### EXHIBIT 3 - HEALTH CARE RECEIVABLES

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
<b>Pharmaceutical Rebate Receivables</b>						
.....	225,383	213,277	218,411	672,808	672,808	657,069
0199998 Pharmaceutical Rebate Receivables - Not Individually Listed .....						
0199999 Subtotal - Pharmaceutical Rebate Receivables .....	225,383	213,277	218,411	672,808	672,808	657,069
0299998 Claim Overpayment Receivables - Not Individually Listed .....						
0299999 Subtotal - Claim Overpayment Receivables .....						
0399998 Loans and Advances to Providers - Not Individually Listed .....						
0399999 Subtotal - Loans and Advances to Providers .....						
0499998 Capitation Arrangement Receivables - Not Individually Listed .....						
0499999 Subtotal - Capitation Arrangement Receivables .....						
0599998 Risk Sharing Receivables - Not Individually Listed .....						
0599999 Subtotal - Risk Sharing Receivables .....						
0699998 Other Receivables - Not Individually Listed .....	10,331			121,280	121,280	10,333
0699999 Subtotal - Other Receivables .....	10,331			121,280	121,280	10,333
0799999 Gross health care receivables .....	235,714	213,277	218,411	794,088	794,088	667,402

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

Type of Health Care Receivable	Health Care Receivables Collected During the Year		Health Care Receivables Accrued as of December 31 of Current Year		5	6
	1 On Amounts Accrued Prior to January 1 of Current Year	2 On Amounts Accrued During the Year	3 On Amounts Accrued December 31 of Prior Year	4 On Amounts Accrued During the Year	Health Care Receivables in Prior Years (Columns 1 + 3)	Estimated Health Care Receivables Accrued as of December 31 of Prior Year
1. Pharmaceutical rebate receivables .....	127,131	717,916		1,329,877	127,131	158,048
2. Claim overpayment receivables .....						
3. Loans and advances to providers .....						
4. Capitation arrangement receivables .....						
5. Risk sharing receivables .....						
6. Other health care receivables .....	1,195	45,918		131,613	1,195	73,627
7. TOTALS (Lines 1 through 6) .....	128,326	763,834		1,461,490	128,326	231,675

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

**EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)**  
**Aging Analysis of Unpaid Claims**

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 Days	6 Over 120 Days	7 Total
0299999 Aggregate Accounts Not Individually Listed - Uncovered .....						
0399999 Aggregate Accounts Not Individually Listed - Covered .....	2,556,338	598,204	118,492	89,305	10,252	3,372,591
0499999 Subtotals .....	2,556,338	598,204	118,492	89,305	10,252	3,372,591
0599999 Unreported claims and other claim reserves .....						16,628,836
0699999 TOTAL Amounts Withheld .....						
0799999 TOTAL Claims Unpaid .....						20,001,427
0899999 Accrued Medical Incentive Pool and Bonus Amounts .....						

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

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
0299999 Receivables not individually listed .....							
0399999 TOTAL Gross Amounts Receivable .....							

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

1 Affiliate	2 Description	3 Amount	4 Current	5 Non-Current
<b>Individually Listed Payables</b>				
Oscar Insurance Corporation .....		1,817,057	1,817,057	
0199999 Total - Individually Listed Payables .....	XXX .....	1,817,057	1,817,057	
0299999 Payables not Individually Listed .....	XXX .....			
0399999 TOTAL Gross Payables .....	XXX .....	1,817,057	1,817,057	



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

Payment Method	1 Direct Medical Expense Payment	2 Column 1 as a % of Total Payments	3 Total Members Covered	4 Column 3 as a % of Total Members	5 Column 1 Expenses Paid to Affiliated Providers	6 Column 1 Expenses Paid to Non-Affiliated Providers
<b>Capitation Payments:</b>						
1. Medical groups .....						
2. Intermediaries .....						
3. All other providers .....	14,139	0.023	5	0.024		14,139
4. TOTAL Capitation Payments .....	14,139	0.023	5	0.024		14,139
<b>Other Payments:</b>						
5. Fee-for-service .....	61,655,550	99.977	X X X	X X X	61,655,550	
6. Contractual fee payments .....			X X X	X X X		
7. Bonus/withhold arrangements - fee-for-service .....			X X X	X X X		
8. Bonus/withhold arrangements - contractual fee payments .....			X X X	X X X		
9. Non-contingent salaries .....			X X X	X X X		
10. Aggregate cost arrangements .....			X X X	X X X		
11. All other payments .....			X X X	X X X		
12. TOTAL Other Payments .....	61,655,550	99.977	X X X	X X X	61,655,550	
13. TOTAL (Line 4 plus Line 12) .....	61,669,689	100.000	X X X	X X X	61,655,550	14,139

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

1 NAIC Code	2 Name of Intermediary	3 Capitation Paid	4 Average Monthly Capitation	5 Intermediary's Total Adjusted Capital	6 Intermediary's Authorized Control Level RBC
<b>NONE</b>					
9999999	TOTALS .....		X X X	X X X	X X X

## EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

	1	2	3	4	5	6
Description	Cost	Improvements	Accumulated Depreciation	Book Value Less Encumbrances	Assets Not Admitted	Net Admitted Assets
1. Administrative furniture and equipment .....						
2. Medical furniture, equipment and fixtures .....						
3. Pharmaceuticals and surgical supplies .....						
4. Durable medical equipment .....						
5. Other property and equipment .....						
6. TOTAL .....						

NONE



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

REPORT FOR: 1. CORPORATION:      2. LOCATION:

NAIC Group Code 4818

BUSINESS IN THE STATE OF NEW JERSEY DURING THE YEAR

NAIC Company Code 15585

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>TOTAL Members at end of:</b>										
1. Prior Year .....	2,798	2,798								
2. First Quarter .....	24,516	24,516								
3. Second Quarter .....	24,407	24,407								
4. Third Quarter .....	23,954	23,954								
5. Current Year .....	21,267	21,267								
6. Current Year Member Months .....	275,451	275,451								
<b>TOTAL Member Ambulatory Encounters for Year:</b>										
7. Physician .....	105,574	105,574								
8. Non-Physician .....	8,513	8,513								
9. TOTAL .....	114,087	114,087								
10. Hospital Patient Days Incurred .....	5,079	5,079								
11. Number of Inpatient Admissions .....	944	944								
12. Health Premiums Written (b) .....	82,007,699	82,007,699								
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	82,007,699	82,007,699								
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	61,669,689	61,669,689								
18. Amount Incurred for Provision of Health Care Services .....	78,188,293	78,188,293								

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.  
 (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0



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

REPORT FOR: 1. CORPORATION:      2. LOCATION:

NAIC Group Code 4818

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

NAIC Company Code 15585

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>TOTAL Members at end of:</b>										
1. Prior Year .....	2,798	2,798								
2. First Quarter .....	24,516	24,516								
3. Second Quarter .....	24,407	24,407								
4. Third Quarter .....	23,954	23,954								
5. Current Year .....	21,267	21,267								
6. Current Year Member Months .....	275,451	275,451								
<b>TOTAL Member Ambulatory Encounters for Year:</b>										
7. Physician .....	105,574	105,574								
8. Non-Physician .....	8,513	8,513								
9. TOTAL .....	114,087	114,087								
10. Hospital Patient Days Incurred .....	5,079	5,079								
11. Number of Inpatient Admissions .....	944	944								
12. Health Premiums Written (b) .....	82,007,699	82,007,699								
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	82,007,699	82,007,699								
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	61,669,689	61,669,689								
18. Amount Incurred for Provision of Health Care Services .....	78,188,293	78,188,293								

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.  
 (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

30 Grand Total

## SCHEDULE S - PART 1 - SECTION 2

### Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
NAIC Company Code	ID Number	Effective Date	Name of Reinsured	Domiciliary Jurisdiction	Type of Reinsurance Assumed	Premiums	Unearned Premiums	Reserve Liability Other Than for Unearned Premiums	Reinsurance Payable on Paid and Unpaid Losses	Modified Coinsurance Reserve	Funds Withheld Under Coinsurance
<b>NONE</b>											
9999999 Total (Sum of 0799999 and 1099999) .....											

**SCHEDULE S - PART 2**

**Reinsurance Recoverable on Paid and Unpaid Losses Listed by  
Reinsuring Company as of December 31, Current Year**

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Paid Losses	7 Unpaid Losses
1199999 Total - Life and Annuity .....						
<b>Accident and Health - Non-Affiliates - U.S. Non-Affiliates</b>						
11835	04-1590940	01/01/2015	PartnerRe Americas Insurance Compnay	DE	1,029,805	893,926
00000	AA-9990032	01/01/2015	US Dept of Hlth & Human Serv	DC	3,002,686	2,141,379
1999999 Subtotal - Accident and Health - Non-Affiliates - U.S. Non-Affiliates .....					4,032,491	3,035,305
2199999 Total - Accident and Health - Non-Affiliates .....					4,032,491	3,035,305
2299999 Total - Accident and Health .....					4,032,491	3,035,305
2399999 Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999) .....					4,032,491	3,035,305
2499999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999) .....						
9999999 Total (Sum of 1199999 and 2299999) .....					4,032,491	3,035,305

## SCHEDULE S - PART 3 - SECTION 2

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance
										11 Current Year	12 Prior Year		
1199999 Total - General Account Authorized													
2299999 Total - General Account - Unauthorized													
<b>General Account - Certified - Non-Affiliates - U.S Non-Affiliates</b>													
11835	04-1590940	01/01/2015	PARTNERRE AMER INS CO	DE	SSL/AI	CMM	1,859,332						
00000	AA-9990032	01/01/2015	US Dept of Hlth & Human Serv	DC	SSL/AI	CMM	641,034						
3099999 Subtotal - General Account - Certified - Non-Affiliates - U.S Non-Affiliates							2,500,366						
3299999 Total - General Account - Certified - Non-Affiliates							2,500,366						
3399999 Total - General Account - Certified							2,500,366						
3499999 Total - General Account - Authorized, Unauthorized and Certified							2,500,366						
3799999 Subtotal - Separate Accounts - Authorized - Affiliates - U.S. - Total													
4599999 Total - Separate Accounts - Authorized													
4899999 Subtotal - Separate Accounts - Unauthorized - Affiliates - U.S. - Total													
5699999 Total - Separate Accounts - Unauthorized													
5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total													
6799999 Total - Separate Accounts - Certified													
6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified													
6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							2,500,366						
7099999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)													
9999999 Total (Sum of 3499999 and 6899999)							2,500,366						

## SCHEDULE S - PART 4

### Reinsurance Ceded To Unauthorized Companies

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
NAIC Company Code	ID Number	Effective Date	Name of Reinsurer	Reserve Credit Taken	Paid and Unpaid Losses Recoverable (Debit)	Other Debits	Totals (Cols. 5 + 6 + 7)	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Trust Agreements	Funds Deposited by and Withheld from Reinsurers	Other	Miscellaneous Balances (Credit)	Sum of Cols. 9+11+12 +13+14 But Not in Excess of Col. 8
9999999 Total (Sum of 2399999 and 3499999) .....									XXX					

(a)

Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount
			<b>NONE</b>	
.....	.....	.....	.....	.....



## SCHEDULE S - PART 5

### Reinsurance Ceded to Certified Reinsurers as of December 31, Current Year (000 Omitted)

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domi- ciliary Juris- diction	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating	8 Percent Collateral Required for Full Credit (0% - 100%)	9 Reserve Credit Taken	10 Paid and Unpaid Losses Recoverable (Debit)	11 Other Debits	12 Total Recoverable /Reserve Credit Taken (Col. 9 + 10 + 11)	13 Miscellaneous Balances (Credit)	14 Net Obligation Subject to Collateral (Col. 12 - 13)	15 Dollar Amount of Collateral Required for Full Credit (Col. 14 x Col. 8)	Collateral						23 Percent of Collateral Provided for Net Obligation Subject to Collateral (Col. 22 / Col. 14)	24 Percent Credit Allowed on Net Obligation Subject to Collateral (Col. 23 / Col. 8 not to Exceed 100%)	25 Amount of Credit Allowed for Net Obligation Subject to Collateral (Col. 14 x Col. 24)	26 Liability for Reinsurance With Certified Reinsurers Due to Collateral Deficiency Cols. 14 - 25)									
															16 Multiple Beneficiary Trust	17 Letters of Credit	18 Issuing or Confirming Bank Reference Number (a)	19 Trust Agreements	20 Funds Deposited by and Withheld from Reinsurers	21 Other					22 Total Collateral Provided (Col. 16 + 17 + 19 + 20 + 21)								
<b>General Account - Accident and Health - Non-Affiliates - U.S. Non-Affiliates</b>																																	
11835	04-1590940	01/01/2015	PARTNERRE AMER INS CO	DE	3	01/01/2011	0		1,923,731		1,923,731		1,923,731															1,923,731					
00000	AA-9990032	01/01/2015	US Dept of Hlth & Human Serv	DC	1	01/01/2001	0		5,144,065		5,144,065		5,144,065															5,144,065					
1999999 Subtotal - General Account - Accident and Health - Non-Affiliates - U.S. Non-Affiliates									7,067,796		7,067,796		7,067,796																7,067,796				
2199999 Total - General Account - Accident and Health - Non-Affiliates									7,067,796		7,067,796		7,067,796																		7,067,796		
2299999 Total - General Account - Accident and Health									7,067,796		7,067,796		7,067,796																		7,067,796		
2399999 Total - General Account									7,067,796		7,067,796		7,067,796																		7,067,796		
2699999 Subtotal - Separate Accounts - Affiliates - U.S. - Total																																	
3499999 Total - Separate Accounts																																	
3599999 Total - U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2699999 and 3199999)									7,067,796		7,067,796		7,067,796																				7,067,796
3699999 Total - Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2999999 and 3299999)																																	
9999999 Total (Sum of 2399999 and 3499999)									7,067,796		7,067,796		7,067,796																			7,067,796	

(a)

Issuing or Confirming Bank Reference Number	Letters of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letters of Credit Amount

**SCHEDULE S - PART 6**  
**Five-Year Exhibit of Reinsurance Ceded Business**  
**(000 Omitted)**

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>A. OPERATIONS ITEMS</b>					
1. Premiums .....	2,500				
2. Title XVIII-Medicare .....					
3. Title XIX - Medicaid .....					
4. Commissions and reinsurance expense allowance .....					
5. TOTAL Hospital and Medical Expenses .....					
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable .....					
7. Claims payable .....					
8. Reinsurance recoverable on paid losses .....	4,032				
9. Experience rating refunds due or unpaid .....					
10. Commissions and reinsurance expense allowances due .....					
11. Unauthorized reinsurance offset .....					
12. Offset for reinsurance with Certified Reinsurers .....					
<b>C. UNAUTHORIZED REINSURANCE</b>					
<b>(DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
13. Funds deposited by and withheld from (F) .....					
14. Letters of credit (L) .....					
15. Trust agreements (T) .....					
16. Other (O) .....					
<b>D. REINSURANCE WITH CERTIFIED REINSURERS</b>					
<b>(DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
17. Multiple Beneficiary Trust .....					
18. Funds deposited by and withheld from (F) .....					
19. Letters of credit (L) .....					
20. Trust agreements (T) .....					
21. Other (O) .....					

## SCHEDULE S - PART 7

### Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	65,646,259		65,646,259
2. Accident and health premiums due and unpaid (Line 15) .....	30,786		30,786
3. Amounts recoverable from reinsurers (Line 16.1) .....	4,032,491	(4,032,491)	
4. Net credit for ceded reinsurance .....	X X X	6,258,187	6,258,187
5. All other admitted assets (Balance) .....	667,402		667,402
6. TOTAL Assets (Line 28) .....	70,376,938	2,225,696	72,602,634
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1) .....	16,966,122	3,035,305	20,001,427
8. Accrued medical incentive pool and bonus payments (Line 2) .....			
9. Premiums received in advance (Line 8) .....			
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount) .....			
11. Reinsurance in unauthorized companies (Line 20 minus inset amount) .....			
12. Reinsurance with Certified Reinsurers (Line 20 inset amount) .....			
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount) .....			
14. All other liabilities (Balance) .....	43,335,696	(809,609)	42,526,087
15. TOTAL Liabilities (Line 24) .....	60,301,818	2,225,696	62,527,514
16. TOTAL Capital and Surplus (Line 33) .....	10,075,120	X X X	10,075,120
17. TOTAL Liabilities, Capital and Surplus (Line 34) .....	70,376,938	2,225,696	72,602,634
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid .....	3,035,305		
19. Accrued medical incentive pool .....			
20. Premiums received in advance .....			
21. Reinsurance recoverable on paid losses .....	4,032,491		
22. Other ceded reinsurance recoverables .....			
23. TOTAL Ceded Reinsurance Recoverables .....	7,067,796		
24. Premiums receivable .....			
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers .....			
26. Unauthorized reinsurance .....			
27. Reinsurance with Certified Reinsurers .....			
28. Funds held under reinsurance treaties with Certified Reinsurers .....			
29. Other ceded reinsurance payables/offsets .....	809,609		
30. TOTAL Ceded Reinsurance Payables/Offsets .....	809,609		
31. TOTAL Net Credit for Ceded Reinsurance .....	6,258,187		

**SCHEDULE T - PART 2**  
**INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

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

**NONE**

## SCHEDULE Y

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
4818 ..	.....	15585	471142944 ..	.....	.....	N/A .....	Oscar Insurance Corporation of New Jersey .....	NJ ..	IA ..	Mulberry Health Inc. ....	.....	100.0	Joshua Kushner .....	N .....	0000000
4818 ..	.....	15281	462043136 ..	.....	.....	N/A .....	Oscar Insurance Corporation .....	NY ..	RE ..	Mulberry Health Inc. ....	.....	100.0	Joshua Kushner .....	N .....	0000000
4818 ..	.....	15777	473185443 ..	.....	.....	N/A .....	Oscar Insurance Company of Texas .....	TX ..	RE ..	Mulberry Health Inc. ....	.....	100.0	Joshua Kushner .....	N .....	0000000
4818 ..	.....	15829	473103726 ..	.....	.....	N/A .....	Oscar Health Plan of California .....	CA ..	RE ..	Mulberry Health Inc. ....	.....	100.0	Joshua Kushner .....	N .....	0000000
4818 ..	.....	0000	461315570 ..	.....	.....	N/A .....	Mulberry Management Company .....	NY ..	RE ..	Mulberry .....	.....	100.0	Joshua Kushner .....	N .....	0000000
4818 ..	.....	0000	461315570 ..	.....	.....	N/A .....	Mulberry Health Inc. ....	DE ..	UDP ..	Thrive Capital Partners III, LP .....	.....	57.9	Joshua Kushner .....	N .....	0000000

Asterisk	Explanation
0000001	.....

## SCHEDULE Y

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
15585	47-1142944	OSCAR INS CORP OF NJ		21,300,000			(12,156,314)				9,143,686	
15281	46-2043136	OSCAR INS CORP					12,156,314				12,156,314	
00000	461315570	Mulberry Health Inc.		(21,300,000)							(21,300,000)	
9999999 Control Totals									X X X			

Schedule Y Part 2 Explanation:

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

**Response**

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

**MARCH FILING**

- |   |     |
|---|-----|
| 1. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?                   | Yes |
| 2. Will an actuarial opinion be filed by March 1?   | Yes |
| 3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?                           | Yes |
| 4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required by March 1? | Yes |

**APRIL FILING**

- |  |     |
|--|-----|
| 5. Will Management's Discussion and Analysis be filed by April 1?              | Yes |
| 6. Will the Supplemental Investment Risks Interrogatories be filed by April 1? | Yes |
| 7. Will the Accident and Health Policy Experience Exhibit be filed by April 1? | Yes |

**JUNE FILING**

- |  |     |
|--|-----|
| 8. Will an audited financial report be filed by June 1?  | Yes |
| 9. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? | Yes |

**AUGUST FILING**

- |   |     |
|---|-----|
| 10. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? | Yes |
|---|-----|

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

**MARCH FILING**

- |  |    |
|--|----|
| 11. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?   | No |
| 12. Will the Supplemental Life data due March 1 be filed with the state of domicile and the NAIC?  | No |
| 13. Will the Supplemental Property/Casualty data due March 1 be filed with the state of domicile and the NAIC?   | No |
| 14. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?   | No |
| 15. Will the actuarial opinion on participating and non-participating policies as required in Interrogatories 1 and 2 on Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1? | No |
| 16. Will the actuarial opinion on non-guaranteed elements as required in Interrogatory 3 to Exhibit 5 to Life Supplement be filed with the state of domicile and electronically with the NAIC by March 1?                              | No |
| 17. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?  | No |
| 18. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1?                                   | No |
| 19. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?   | No |
| 20. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?   | No |

**APRIL FILING**

- |  |     |
|--|-----|
| 21. Will the Long-Term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?  | No  |
| 22. Will the Supplemental Life data due April 1 be filed with the state of domicile and the NAIC?  | No  |
| 23. Will the Supplemental Property/Casualty Insurance Expense Exhibit due April 1 be filed with any state that requires it, and, if so, the NAIC?          | No  |
| 24. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?                              | Yes |
| 25. Will the regulator only (non-public) Supplemental Health Care Exhibit's Allocation Report be filed with the state of domicile and the NAIC by April 1? | Yes |

**AUGUST FILING**

- |  |    |
|--|----|
| 26. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | No |
|--|----|

Explanation:

Bar Code:

Medicare Supplement Insurance Experience Exhibit



1558520163600000 2016 Document Code: 360

Health Life Supplement



1558520162050000 2016 Document Code: 205

Health Property / Casualty Supplement



15585201620700000 2016 Document Code: 207

Schedule SIS



1558520164200000 2016 Document Code: 420

Actuarial Opinion on Participating and Non-Participating Policies



15585201637100000 2016 Document Code: 371

Statement of Non-Guaranteed Elements for Exhibit 5



1558520163700000 2016 Document Code: 370

Medicare Part D Coverage Supplement



15585201636500000 2016 Document Code: 365

Approval for Relief related to five-year rotation for lead Audit Partner



15585201622400000 2016 Document Code: 224

## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Approval for Relief related to one-year cooling off period for inde. CPA



15585201622500000 2016 Document Code: 225

Approval for Relief related to Require. for Audit Committees



15585201622600000 2016 Document Code: 226

LTC Supplemental Interrogatories



15585201630600000 2016 Document Code: 306

Health Life Supplement - LHA Guaranty Association Reconciliation



15585201621100000 2016 Document Code: 211

Health Property/Casualty Supplement - Insurance Expense Exhibit



15585201621300000 2016 Document Code: 213

Management's Report of Internal Control over Financial Reporting



15585201622300000 2016 Document Code: 223



**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504. ....					
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) .....					

# INDEX TO HEALTH ANNUAL STATEMENT

Analysis of Operations By Lines of Business .....	7
Assets .....	2
Cash Flow .....	6
Exhibit 1 - Enrollment By Product Type for Health Business Only .....	17
Exhibit 2 - Accident and Health Premiums Due and Unpaid .....	18
Exhibit 3 - Health Care Receivables .....	19
Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued .....	20
Exhibit 4 - Claims Unpaid and Incentive Pool, Withhold and Bonus .....	21
Exhibit 5 - Amounts Due From Parent, Subsidiaries and Affiliates .....	22
Exhibit 6 - Amounts Due To Parent, Subsidiaries and Affiliates .....	23
Exhibit 7 - Part 1 - Summary of Transactions With Providers .....	24
Exhibit 7 - Part 2 - Summary of Transactions With Intermediaries .....	24
Exhibit 8 - Furniture, Equipment and Supplies Owned .....	25
Exhibit of Capital Gains (Losses) .....	15
Exhibit of Net Investment Income .....	15
Exhibit of Nonadmitted Assets .....	16
Exhibit of Premiums, Enrollment and Utilization (State Page) .....	30
Five-Year Historical Data .....	29
General Interrogatories .....	27
Jurat Page .....	1
Liabilities, Capital and Surplus .....	3
Notes To Financial Statements .....	26
Overflow Page For Write-ins .....	44
Schedule A - Part 1 .....	E01
Schedule A - Part 2 .....	E02
Schedule A - Part 3 .....	E03
Schedule A - Verification Between Years .....	SI02
Schedule B - Part 1 .....	E04
Schedule B - Part 2 .....	E05
Schedule B - Part 3 .....	E06
Schedule B - Verification Between Years .....	SI02
Schedule BA - Part 1 .....	E07
Schedule BA - Part 2 .....	E08
Schedule BA - Part 3 .....	E09
Schedule BA - Verification Between Years .....	SI03
Schedule D - Part 1 .....	E10
Schedule D - Part 1A - Section 1 .....	SI05
Schedule D - Part 1A - Section 2 .....	SI08
Schedule D - Part 2 - Section 1 .....	E11
Schedule D - Part 2 - Section 2 .....	E12
Schedule D - Part 3 .....	E13
Schedule D - Part 4 .....	E14
Schedule D - Part 5 .....	E15
Schedule D - Part 6 - Section 1 .....	E16
Schedule D - Part 6 - Section 2 .....	E16
Schedule D - Summary By Country .....	SI04
Schedule D - Verification Between Years .....	SI03
Schedule DA - Part 1 .....	E17
Schedule DA - Verification Between Years .....	SI10
Schedule DB - Part A - Section 1 .....	E18
Schedule DB - Part A - Section 2 .....	E19
Schedule DB - Part A - Verification Between Years .....	SI11
Schedule DB - Part B - Section 1 .....	E20
Schedule DB - Part B - Section 2 .....	E21
Schedule DB - Part B - Verification Between Years .....	SI11
Schedule DB - Part C - Section 1 .....	SI12
Schedule DB - Part C - Section 2 .....	SI13
Schedule DB - Part D - Section 1 .....	E22
Schedule DB - Part D - Section 2 .....	E23

## INDEX TO HEALTH ANNUAL STATEMENT

Schedule DB - Verification .....	SI14
Schedule DL - Part 1 .....	E24
Schedule DL - Part 2 .....	E25
Schedule E - Part 1 - Cash .....	E26
Schedule E - Part 2 - Cash Equivalents .....	E27
Schedule E - Part 3 - Special Deposits .....	E28
Schedule E - Verification Between Years .....	SI15
Schedule S - Part 1 - Section 2 .....	31
Schedule S - Part 2 .....	32
Schedule S - Part 3 - Section 2 .....	33
Schedule S - Part 4 .....	34
Schedule S - Part 5 .....	35
Schedule S - Part 6 .....	36
Schedule S - Part 7 .....	37
Schedule T - Part 2 - Interstate Compact .....	39
Schedule T - Premiums and Other Considerations .....	38
Schedule Y - Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group .....	40
Schedule Y - Part 1A - Detail of Insurance Holding Company System .....	41
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates .....	42
Statement of Revenue and Expenses .....	4
Summary Investment Schedule .....	SI01
Supplemental Exhibits and Schedules Interrogatories .....	43
Underwriting and Investment Exhibit - Part 1 .....	8
Underwriting and Investment Exhibit - Part 2 .....	9
Underwriting and Investment Exhibit - Part 2A .....	10
Underwriting and Investment Exhibit - Part 2B .....	11
Underwriting and Investment Exhibit - Part 2C .....	12
Underwriting and Investment Exhibit - Part 2D .....	13
Underwriting and Investment Exhibit - Part 3 .....	14

## Amended Explanation Page

Jurat with updated signatures to go with the amended filing  
Changes to premium and claims from what was originally filed.



# ANNUAL STATEMENT

## For the Year Ending DECEMBER 31, 2016

### OF THE CONDITION AND AFFAIRS OF THE

# Oscar Insurance Corporation of New Jersey

NAIC Group Code	4818 <small>(Current Period)</small>	4818 <small>(Prior Period)</small>	NAIC Company Code	15585	Employer's ID Number	47-1142944
Organized under the Laws of	New Jersey		State of Domicile or Port of Entry	NJ		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[X] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[ ] No[ ] N/A[X]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[ ]	
Incorporated/Organized	06/18/2014		Commenced Business	01/01/2015		
Statutory Home Office	820 Bear Tavern Road <small>(Street and Number)</small>		West Trenton, NJ, US 08628 <small>(City or Town, State, Country and Zip Code)</small>			
Main Administrative Office	New York, NY, US 10012 <small>(City or Town, State, Country and Zip Code)</small>		295 Lafayette Street <small>(Street and Number)</small>		(646)403-3677 <small>(Area Code) (Telephone Number)</small>	
Mail Address	295 Lafayette Street <small>(Street and Number or P.O. Box)</small>		New York, NY, US 10012 <small>(City or Town, State, Country and Zip Code)</small>			
Primary Location of Books and Records	New York, NY, US 10012 <small>(City or Town, State, Country and Zip Code)</small>		295 Lafayette Street <small>(Street and Number)</small>		(646)403-3677 <small>(Area Code) (Telephone Number)</small>	
Internet Website Address	www.hioscar.com					
Statutory Statement Contact	Aaron Crawford <small>(Name)</small>		(646)403-3677 <small>(Area Code)(Telephone Number)(Extension)</small>			
	acrawford@hioscar.com <small>(E-Mail Address)</small>		(212)226-1283 <small>(Fax Number)</small>			

### OFFICERS

Name	Title
Mario Schlosser	Chief Executive Officer
Joel Klein	Chief Policy & Strategy Officer
Brian West	Chief Financial Officer and Treasurer
Fausto Palazzetti	Chief Actuary Officer #
John Loser	Chief Risk Officer #
Deena Gianoncelli	Chief People Officer #
Alan Warren	Chief Technical Officer

### OTHERS

Bruce Gottlieb, Secretary #

### DIRECTORS OR TRUSTEES

Mario Schlosser	Joel Klein #
Brian West #	Alan Warren #
Kareem Zaki #	John Loser #
Joel Cutler #	

State of           New York            
County of           New York                ss

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

(Signature) Mario Schlosser	(Signature) Joel Klein	(Signature) Brian West
(Printed Name) 1.	(Printed Name) 2.	(Printed Name) 3.
Chief Executive Officer	Chief Policy & Strategy Officer	Chief Financial Officer & Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017

- a. Is this an original filing?  
b. If no,    1. State the amendment number  
              2. Date filed  
              3. Number of pages attached

Yes[ ] No[X]  
1  
04/03/2017

\_\_\_\_\_  
(Notary Public Signature)

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

1 Name of Debtor	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	7 Admitted
0199999 TOTAL Individuals .....						
<b>Group Subscribers:</b>						
.....		28,958	1,588	239		30,785
0299997 Subtotal - Group Subscribers: .....		28,958	1,588	239		30,785
0299998 Premiums due and unpaid not individually listed .....						
0299999 TOTAL Group .....		28,958	1,588	239		30,785
0399999 Premiums due and unpaid from Medicare entities .....						
0499999 Premiums due and unpaid from Medicaid entities .....						
0599999 Accident and health premiums due and unpaid (Page 2, Line 15) ..		28,958	1,588	239		30,785



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

REPORT FOR: 1. CORPORATION:      2. LOCATION:

NAIC Group Code 4818

BUSINESS IN THE STATE OF NEW JERSEY DURING THE YEAR

NAIC Company Code 15585

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>TOTAL Members at end of:</b>										
1. Prior Year .....	2,798	2,798								
2. First Quarter .....	24,516	24,516								
3. Second Quarter .....	24,407	24,407								
4. Third Quarter .....	23,954	23,954								
5. Current Year .....	21,267	21,267								
6. Current Year Member Months .....	275,451	275,451								
<b>TOTAL Member Ambulatory Encounters for Year:</b>										
7. Physician .....	105,574	105,574								
8. Non-Physician .....	8,513	8,513								
9. TOTAL .....	114,087	114,087								
10. Hospital Patient Days Incurred .....	5,079	5,079								
11. Number of Inpatient Admissions .....	944	944								
12. Health Premiums Written (b) .....	82,007,699	82,007,699								
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	82,007,699	82,007,699								
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	61,669,689	61,669,689								
18. Amount Incurred for Provision of Health Care Services .....	78,188,293	78,188,293								

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.  
 (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0



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

REPORT FOR: 1. CORPORATION:      2. LOCATION:

NAIC Group Code 4818

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

NAIC Company Code 15585

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
<b>TOTAL Members at end of:</b>										
1. Prior Year .....	2,798	2,798								
2. First Quarter .....	24,516	24,516								
3. Second Quarter .....	24,407	24,407								
4. Third Quarter .....	23,954	23,954								
5. Current Year .....	21,267	21,267								
6. Current Year Member Months .....	275,451	275,451								
<b>TOTAL Member Ambulatory Encounters for Year:</b>										
7. Physician .....	105,574	105,574								
8. Non-Physician .....	8,513	8,513								
9. TOTAL .....	114,087	114,087								
10. Hospital Patient Days Incurred .....	5,079	5,079								
11. Number of Inpatient Admissions .....	944	944								
12. Health Premiums Written (b) .....	82,007,699	82,007,699								
13. Life Premiums Direct .....										
14. Property/Casualty Premiums Written .....										
15. Health Premiums Earned .....	82,007,699	82,007,699								
16. Property/Casualty Premiums Earned .....										
17. Amount Paid for Provision of Health Care Services .....	61,669,689	61,669,689								
18. Amount Incurred for Provision of Health Care Services .....	78,188,293	78,188,293								

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.  
 (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

30 Grand Total



## SCHEDULE S - PART 3 - SECTION 2

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

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Company	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Business Ceded	8 Premiums	9 Unearned Premiums (Estimated)	10 Reserve Credit Taken Other than for Unearned Premiums	Outstanding Surplus Relief		13 Modified Coinsurance Reserve	14 Funds Withheld Under Coinsurance	
										11 Current Year	12 Prior Year			
1199999 Total - General Account Authorized														
2299999 Total - General Account - Unauthorized														
<b>General Account - Certified - Non-Affiliates - U.S Non-Affiliates</b>														
11835	04-1590940	01/01/2015	PARTNERRE AMER INS CO	DE	SSL/AI	CMM	1,859,332							
00000	AA-9990032	01/01/2015	US Dept of Hlth & Human Serv	DC	SSL/AI	CMM	573,355							
3099999 Subtotal - General Account - Certified - Non-Affiliates - U.S Non-Affiliates							2,432,687							
3299999 Total - General Account - Certified - Non-Affiliates							2,432,687							
3399999 Total - General Account - Certified							2,432,687							
3499999 Total - General Account - Authorized, Unauthorized and Certified							2,432,687							
3799999 Subtotal - Separate Accounts - Authorized - Affiliates - U.S. - Total														
4599999 Total - Separate Accounts - Authorized														
4899999 Subtotal - Separate Accounts - Unauthorized - Affiliates - U.S. - Total														
5699999 Total - Separate Accounts - Unauthorized														
5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total														
6799999 Total - Separate Accounts - Certified														
6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified														
6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)							2,432,687							
7099999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999)														
9999999 Total (Sum of 3499999 and 6899999)							2,432,687							

**SCHEDULE S - PART 6**  
**Five-Year Exhibit of Reinsurance Ceded Business**  
**(000 Omitted)**

	1 2016	2 2015	3 2014	4 2013	5 2012
<b>A. OPERATIONS ITEMS</b>					
1. Premiums .....	2,433				
2. Title XVIII-Medicare .....					
3. Title XIX - Medicaid .....					
4. Commissions and reinsurance expense allowance .....					
5. TOTAL Hospital and Medical Expenses .....					
<b>B. BALANCE SHEET ITEMS</b>					
6. Premiums receivable .....					
7. Claims payable .....					
8. Reinsurance recoverable on paid losses .....	4,032				
9. Experience rating refunds due or unpaid .....					
10. Commissions and reinsurance expense allowances due .....					
11. Unauthorized reinsurance offset .....					
12. Offset for reinsurance with Certified Reinsurers .....					
<b>C. UNAUTHORIZED REINSURANCE</b>					
<b>(DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
13. Funds deposited by and withheld from (F) .....					
14. Letters of credit (L) .....					
15. Trust agreements (T) .....					
16. Other (O) .....					
<b>D. REINSURANCE WITH CERTIFIED REINSURERS</b>					
<b>(DEPOSITS BY AND FUNDS WITHHELD FROM)</b>					
17. Multiple Beneficiary Trust .....					
18. Funds deposited by and withheld from (F) .....					
19. Letters of credit (L) .....					
20. Trust agreements (T) .....					
21. Other (O) .....					

**SCHEDULE S - PART 7****Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance**

	1 As Reported (net of ceded)	2 Restatement Adjustments	3 Restated (gross of ceded)
<b>ASSETS (Page 2, Col. 3)</b>			
1. Cash and invested assets (Line 12) .....	65,646,259		65,646,259
2. Accident and health premiums due and unpaid (Line 15) .....	30,786		30,786
3. Amounts recoverable from reinsurers (Line 16.1) .....	4,032,491	(4,032,491)	
4. Net credit for ceded reinsurance .....	X X X	6,258,187	6,258,187
5. All other admitted assets (Balance) .....	667,402		667,402
6. TOTAL Assets (Line 28) .....	70,376,938	2,225,696	72,602,634
<b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>			
7. Claims unpaid (Line 1) .....	16,966,122	3,035,305	20,001,427
8. Accrued medical incentive pool and bonus payments (Line 2) .....			
9. Premiums received in advance (Line 8) .....			
10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers (Line 19, first inset amount plus second inset amount) .....			
11. Reinsurance in unauthorized companies (Line 20 minus inset amount) .....			
12. Reinsurance with Certified Reinsurers (Line 20 inset amount) .....			
13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset amount) .....			
14. All other liabilities (Balance) .....	43,222,707	(809,609)	42,413,098
15. TOTAL Liabilities (Line 24) .....	60,188,829	2,225,696	62,414,525
16. TOTAL Capital and Surplus (Line 33) .....	10,188,109	X X X	10,188,109
17. TOTAL Liabilities, Capital and Surplus (Line 34) .....	70,376,938	2,225,696	72,602,634
<b>NET CREDIT FOR CEDED REINSURANCE</b>			
18. Claims unpaid .....	3,035,305		
19. Accrued medical incentive pool .....			
20. Premiums received in advance .....			
21. Reinsurance recoverable on paid losses .....	4,032,491		
22. Other ceded reinsurance recoverables .....			
23. TOTAL Ceded Reinsurance Recoverables .....	7,067,796		
24. Premiums receivable .....			
25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers .....			
26. Unauthorized reinsurance .....			
27. Reinsurance with Certified Reinsurers .....			
28. Funds held under reinsurance treaties with Certified Reinsurers .....			
29. Other ceded reinsurance payables/offsets .....	809,609		
30. TOTAL Ceded Reinsurance Payables/Offsets .....	809,609		
31. TOTAL Net Credit for Ceded Reinsurance .....	6,258,187		

**UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - ANALYSIS OF EXPENSES**

	Claim Adjustment Expenses		3	4	5
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
2504. ....					
2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) .....					



## Statement of Actuarial Opinion



Oscar Insurance Corporation of New Jersey  
 295 Lafayette St, 6th floor  
 New York, NY 10012  
 1-855-OSCAR-55  
 hioscar.com

STATEMENT OF ACTUARIAL OPINION  
 STATUTORY ANNUAL STATEMENT FOR THE CALENDAR YEAR ENDING  
 DECEMBER 31, 2016  
 OSCAR INSURANCE CORPORATION OF NEW JERSEY

This opinion is	<input checked="" type="checkbox"/> Unqualified	<input type="checkbox"/> Qualified	<input type="checkbox"/> Adverse	<input type="checkbox"/> Inconclusive
Identification Section	<input checked="" type="checkbox"/> Prescribed Wording Only	<input type="checkbox"/> Prescribed Wording with Additional Wording	<input type="checkbox"/> Revised Wording	
Scope Section	<input type="checkbox"/> Prescribed Wording Only	<input checked="" type="checkbox"/> Prescribed Wording with Additional Wording	<input type="checkbox"/> Revised Wording	
Reliance	<input checked="" type="checkbox"/> Prescribed Wording Only	<input type="checkbox"/> Prescribed Wording with Additional Wording	<input type="checkbox"/> Revised Wording	
Opinion	<input type="checkbox"/> Prescribed Wording Only	<input checked="" type="checkbox"/> Prescribed Wording with Additional Wording	<input type="checkbox"/> Revised Wording	
Relevant Comments			<input type="checkbox"/> Revised Wording	
<input type="checkbox"/> The Actuarial Memorandum includes "Deviation from Standard" wording regarding conformity with an Actuarial Standard of Practice				

### IDENTIFICATION

I, Fausto Palazzetti, am an employee of Oscar Insurance Corporation of New Jersey, a Fellow in the Society of Actuaries, and a member of the American Academy of Actuaries. I was appointed on September 27, 2016 in accordance with the requirements of the annual statement instructions. I meet the Academy qualification standards for rendering the opinion.

### SCOPE

I have examined the assumptions and methods used in determining loss reserves, actuarial liabilities and related items listed below, as shown in the annual statement of the organization as prepared for filing with state regulatory officials, as of December 31, 2016.

A. Claims unpaid gross of reinsurance (Page 3, Line 1)	\$20,001,427
B. Accrued medical incentive pool and bonus payments (Page 3, Line 2)	\$0
C. Unpaid claims adjustment expenses (Page 3, Line 3)	\$380,980
D. Aggregate health policy reserves (Page 3, Line 4) including unearned	\$28,964,223

## Statement of Actuarial Opinion

premium reserves, premium deficiency reserves (as described in the Notes to Financial Statements, Note #30) and additional policy reserves from the Underwriting and Investment Exhibit – Part 2D

E.	Aggregate life policy reserves (Page 3, Line 5)	\$0
F.	Property/casualty unearned premium reserves (Page 3, Line 6)	\$0
G.	Aggregate health claim reserves (Page 3, Line 7)	\$8,460,433
H.	Any other loss reserves, actuarial liabilities, or related items presented as liabilities in the annual statement:	\$0
I.	Specified actuarial items presented as assets in the annual statement:	\$5,362,368
	<ul style="list-style-type: none"> <li>● Risk corridor receivable - \$0 (Page 44, Line 2504)</li> <li>● Federal reinsurance - \$3,002,686 (Page 2, Line 16.1)</li> <li>● Private reinsurance - \$1,029,805 (Page 2, Line 16.1)</li> <li>● Pharmacy rebates - \$1,329,877 (Page 2, Line 24)</li> <li>● Private reinsurance experience refund - \$0 (Page 2, Line 24)</li> </ul>	

### RELIANCE

My examination included such review of the actuarial assumptions and actuarial methods and of the underlying basic liability records and such tests of the actuarial calculations as I considered necessary. I also reconciled the underlying basic liability records to the Underwriting and Investment Exhibit, Part 2B of the company's current annual statement.

## Statement of Actuarial Opinion

### OPINION

In my opinion, the amounts carried in the balance sheet on account of the items identified above:

- A. Are in accordance with accepted actuarial standards consistently applied and are fairly stated in accordance with sound actuarial principles;
- B. Are based on actuarial assumptions relevant to contract provisions and appropriate to the purpose for which the statement was prepared;
- C. Meet the requirements of the Insurance Laws and regulations of the state of New Jersey; and are at least as great as the minimum aggregate amounts required by the state of New Jersey;
- D. Make a good and sufficient provision for all unpaid claims and other actuarial liabilities of the organization under the terms of its contracts and agreements;
- E. The application of assumptions and methods are consistent with the annual statement of the preceding year; and
- F. Include appropriate provision for all actuarial items that ought to be established.

The Underwriting and Investment Exhibit – Part 2B was reviewed for reasonableness and consistency with the applicable Actuarial Standards of Practice

Actuarial methods, considerations, and analyses used in forming my opinion conform to the relevant Standards of Practice as promulgated from time to time by the Actuarial Standards Board, which standards form the basis of this statement of opinion.

\_\_\_\_\_ Reference Hard Copy \_\_\_\_\_  
Signature of Actuary

Fausto Palazzetti, FSA, MAAA

\_\_\_\_\_  
Printed Name of Actuary

295 Lafayette St, New York, NY 10012

\_\_\_\_\_  
Address of Actuary

646.580.0855

\_\_\_\_\_  
Telephone Number of Actuary

February 26, 2017

\_\_\_\_\_  
Date Opinion was Rendered

**ANNUAL STATEMENT**

**OF THE**

**Oscar Insurance Corporation of New Jersey**

**of**

**West Trenton**

**in the state of**

**New Jersey**

**TO THE**

**Insurance Department**

**OF THE STATE OF**

**New Jersey**

**For the Year Ending**  
**DECEMBER 31, 2016**

**2016**





# SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended DECEMBER 31, 2016  
(To be filed by March 1)

## PART 1 - INTERROGATORIES

1. Is the reporting insurer is a member of a group of insurers or other holding company system? Yes[X] No[ ]  
 If yes, do the below amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group: Yes[X] No[ ]  
 or 2) allocation to each insurer: Yes[ ] No[X]
2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes[ ] No[X]
3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes[ ] No[X]

## PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

1	2	3	4	5	6	7	8	9	10
Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Sign-on Payments	Severance Payments	All Other Compensation	Totals
1. Mario Schlosser, CEO	2016	257,109							257,109
Mario Schlosser, CEO	2015	268,206							268,206
Mario Schlosser, CEO	2014	270,265							270,265
2. Brian West, CFO	2016	656,771							656,771
Brian West, CFO	2015								
Brian West, CFO	2014								
3. Joel Klein, Chief Policy & Strategy Officer	2016	498,106							498,106
Joel Klein, Chief Policy & Strategy Officer	2015								
Joel Klein, Chief Policy & Strategy Officer	2014								
4. Alan Warren, CTO	2016	409,091							409,091
Alan Warren, CTO	2015								
Alan Warren, CTO	2014								
5. Bruce Gottlieb, General Counsel	2016	258,483				10,000			268,483
Bruce Gottlieb, General Counsel	2015								
Bruce Gottlieb, General Counsel	2014								
6. Ginger Schuster, Controller	2016	234,583	53,167						287,750
Ginger Schuster, Controller	2015								
Ginger Schuster, Controller	2014								
7. Sarah Abitbol, Interim Head of People	2016	237,678	61,583						299,261
Sarah Abitbol, Corporate Counsel	2015	198,712	43,000						241,712
Sarah Abitbol, Corporate Counsel	2014								
8. Steven Abramson, VP of Network partnerships	2016	283,828							283,828
Steven Abramson, VP of Network partnerships	2015	177,140							177,140
Steven Abramson, VP of Network partnerships	2014								
9. Robert Guelich	2016	195,713	92,250						287,963
Robert Guelich	2015	202,265	18,565						220,830
Robert Guelich	2014	162,254							162,254
10. Isaac Councill	2016	212,338	45,442						257,780
Isaac Councill	2015	206,209	9,750						215,959
Isaac Councill	2014	190,960							190,960

## PART 3 - DIRECTOR COMPENSATION

1 Name and Principal Position or Occupation and Company (if Outside Director)	Paid or Deferred for Services as Director				6 All Other Compensation Paid or Deferred	7 Totals
	2 Direct Compensation	3 Stock Awards	4 Option Awards	5 Other		
Kareen Zaki, Thirve Capital						
Joel Cutler, General Catalyst						
9999999						

**PART 4 NARRATIVE DESCRIPTION OF MATERIAL FACTORS**

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables.

## **SUPPLEMENTAL COMPENSATION EXHIBIT (continued)**

### **PART 4 - NARRATIVE DESCRIPTION OF MATERIAL FACTORS**

No material factors