* 9 5 5 1 7 2 0 1 3 2 0 1 0 0 1 0 0 *

HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDING DECEMBER 31, 2013

OF THE CONDITION AND AFFAIRS OF

Aetna Health Inc. (a Maine corporation)

NAIC Group Code ..... 0001 0001 NAIC Company Code .... 95517 Employer's ID Number 01-0504252
(Current Period) (Prior Period)

Organized under the Laws of Maine State of Domicile or Port of Entry …….. Maine Country of Domicile ………… United States

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

Incorporated/Organized .... October 3, 1995 Commenced Business .... April 10, 1996

Statutory Home Office ....……………..... 175 Running Hill Road, Suite 301 ………….….... South Portland .... ME ... USA ... 04106-3220
(Street and Number) (City, State, Country, and Zip Code)

Main Administrative Office ………………...…………….………….... 980 Jolly Road
(Street and Number)

……………………………..……. Blue Bell .... PA .. USA ... 19422-1904 …………………………………............. 800-872-3862
(City, State, Country, and Zip Code) (Area Code) (Telephone Number)

Mail Address ....……..………………..... 980 Jolly Road, U11S ……………….…......... Blue Bell .... PA ... USA ... 19422-1904
(Street and Number or P. O. Box) (City, State, Country, and Zip Code)

Primary Location of Books and Records ……………………………... 980 Jolly Road
(Street and Number)

………………………………… Blue Bell .... PA ... USA ... 19422-1904 ………………………………….......... 800-872-3862
(City, State, Country, and Zip Code) (Area Code) (Telephone Number)

Internet Website Address ……………….……………….…………. www.aetna.com

Statutory Statement Contact .... Jennifer Anne Palma ....……..……............. 215-775-6508
(Name) (Area Code) (Telephone Number) (Extension)

.... Aetna.HMOReporting@aetna.com ....….. 860-262-7767
(E-mail Address) (Fax Number)

OFFICERS

Martha Reardon Temple, President
Edward Chung-I Lee, Vice President and Secretary
Jennifer Anne Palma, Principal Financial Officer and Controller

OTHER

Elaine Rose Cofrancesco, Treasurer
Gregory Stephen Martino, Vice President
Kevin James Casey, Senior Investment Officer
Dawn Marie Schoen, Assistant Controller

DIRECTORS OR TRUSTEES

Robert Kenneth Downs David Bradley Morse Martha Reardon Temple

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

(Signature)	(Signature)	(Signature)
Martha Reardon Temple	Edward Chung-I Lee	Jennifer Anne Palma
President	Vice President and Secretary@	Principal Financial Officer and Controller@@
State of........Connecticut	State of........ Connecticut	State of........ Pennsylvania
County of..... Hartford	County of..... Hartford	County of..... Montgomery
Subscribed and sworn to before me this	@Subscribed and sworn to before me this	@@Subscribed and sworn to before me this
____ day of ____ 2014	____ day of ____ 2014	____ day of February 2014
NOTARY PUBLIC (Seal)	NOTARY PUBLIC (Seal)	NOTARY PUBLIC (Seal)

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

ASSETS

	Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	24,937,774	0	24,937,774	18,266,829
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $............0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less $............0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less $..........0 encumbrances)	0	0	0	0
5. Cash ($..........0, Schedule E-Part 1), cash equivalents ($.....4,552,288, Schedule E-Part 2) and short-term investments ($.....21,315, Schedule DA)	4,573,603	0	4,573,603	5,594,397
6. Contract loans (including $..........0 premium notes)	0	0	0	0
7. Derivatives (Schedule DB)	0	0	0	0
8. Other invested assets (Schedule BA)	0	0	0	0
9. Receivables for securities	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	29,511,377	0	29,511,377	23,861,226
13. Title plants less $..........0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	153,772	0	153,772	135,584
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,903,837	99,300	2,804,537	1,814,974
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	0	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	790,845
18.2 Net deferred tax asset	1,091,177	106,088	985,089	440,656
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	0	0	0	0
21. Furniture and equipment, including health care delivery assets ($..........0)	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0	0
24. Health care ($.....281,328) and other amounts receivable	281,328	0	281,328	140,336
25. Aggregate write-ins for other than invested assets	454,185	37,000	417,185	412,834
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	34,395,676	242,388	34,153,288	27,596,455
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. TOTALS (Lines 26 and 27)	34,395,676	242,388	34,153,288	27,596,455

DETAILS OF WRITE-INS

	1	2	3	4
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Current State Income Tax Receivable	165,220	0	165,220	126,733
2502. Medicare Part D Catastrophic Coverage Receivable	137,543	0	137,543	162,368
2503. Other Receivable	114,422	0	114,422	92,394
2598. Summary of remaining write-ins for Line 25 from overflow page	37,000	37,000	0	31,339
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	454,185	37,000	417,185	412,834

LIABILITIES, CAPITAL AND SURPLUS

	Current Period 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1. Claims unpaid (less $..........0 reinsurance ceded)	8,807,600	302,656	9,110,256	7,427,685
2. Accrued medical incentive pool and bonus amounts	231,372	0	231,372	231,372
3. Unpaid claims adjustment expenses	169,805	0	169,805	147,635
4. Aggregate health policy reserves, including the liability of $.....405 for medical loss ratio rebate per the Public Health Service Act	2,150,943	0	2,150,943	213,335
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserve	0	0	0	0
7. Aggregate health claim reserves	54,939	0	54,939	69,354
8. Premiums received in advance	18,114	0	18,114	6,914
9. General expenses due or accrued	31,666	0	31,666	14,201
10.1 Current federal and foreign income tax payable and interest thereon (including $..........0 on realized capital gains (losses))	232,853	0	232,853	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others	0	0	0	0
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including $..........0 current) and interest thereon $..........0 (including $..........0 current)	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates	4,151,258	0	4,151,258	4,556,051
16. Derivatives	0	0	0	0
17. Payable for securities	3,935,836	0	3,935,836	0
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties with ($..........0 authorized reinsurers, $..........0 unauthorized and $..........0 certified reinsurers)	0	0	0	0
20. Reinsurance in unauthorized and certified ($..........0) companies	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	0	0	0	0
23. Aggregate write-ins for other liabilities (including $..........0 current)	157,859	0	157,859	111,882
24. Total liabilities (Lines 1 to 23)	19,942,245	302,656	20,244,901	12,778,429
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	1,000,000	1,000,000
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	8,700,000	8,700,000
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	4,208,387	5,118,026
32. Less treasury stock at cost:				
32.1 .....0.000 shares common (value included in Line 26 $..........0)	XXX	XXX	0	0
32.2 .....0.000 shares preferred (value included in Line 27 $..........0)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	13,908,387	14,818,026
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	34,153,288	27,596,455

DETAILS OF WRITE-INS

	1 Covered	2 Uncovered	3 Total	4 Total
2301. CMS Coverage Gap Discount	51,579	0	51,579	104,569
2302. Medicare Part D Low Income Cost Share Payable	33,235	0	33,235	0
2303. Payables Associated With Claims Overpayment Recovery	25,000	0	25,000	0
2398. Summary of remaining write-ins for Line 23 from overflow page	48,045	0	48,045	7,313
2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)	157,859	0	157,859	111,882
2501.	XXX	XXX	0	0
2502.	XXX	XXX	0	0
2503.	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX	0	0
3002.	XXX	XXX	0	0
3003.	XXX	XXX	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

Statement as of December 31, 2013 of the **Aetna Health Inc. (a Maine corporation)**

STATEMENT OF REVENUE AND EXPENSES

	Current Year 1 Uncovered	Current Year 2 Total	Prior Year 3 Total
1. Member months	XXX	210,993	185,746
2. Net premium income (including $..........0 non-health premium income)	XXX	98,180,276	93,333,783
3. Change in unearned premium reserves and reserve for rate credits	XXX	98,675	(115,174)
4. Fee-for-service (net of $..........0 medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	98,278,951	93,218,609
Hospital and Medical:			
9. Hospital/medical benefits	1,498,512	64,770,798	55,226,358
10. Other professional services	0	0	0
11. Outside referrals	1,134,882	1,134,882	1,032,834
12. Emergency room and out-of-area	158,981	3,974,516	3,755,130
13. Prescription drugs	192,640	14,174,737	13,343,899
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts	0	396,015	(419,768)
16. Subtotal (Lines 9 to 15)	2,985,015	84,450,948	72,938,453
Less:			
17. Net reinsurance recoveries	0	0	0
18. Total hospital and medical (Lines 16 minus 17)	2,985,015	84,450,948	72,938,453
19. Non-health claims (net)	0	0	0
20. Claims adjustment expenses, including $.....1,625,783 cost containment expenses	0	2,421,320	1,934,059
21. General administrative expenses	0	11,010,883	8,921,462
22. Increase in reserves for life and accident and health contracts including $..........0 increase in reserves for life only)	0	2,036,283	(75,696)
23. Total underwriting deductions (Lines 18 through 22)	2,985,015	99,919,434	83,718,278
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(1,640,483)	9,500,331
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	581,902	665,228
26. Net realized capital gains or (losses) less capital gains tax of $.....5,945	0	(732,695)	(53,206)
27. Net investment gains or (losses) (Lines 25 plus 26)	0	(150,793)	612,022
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered $..........0) (amount charged off $..........0)]	0	0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	(1,791,276)	10,112,353
31. Federal and foreign income taxes incurred	XXX	(425,705)	2,689,293
32. Net income (loss) (Lines 30 minus 31)	XXX	(1,365,571)	7,423,060

DETAILS OF WRITE-INS

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

STATEMENT OF REVENUE AND EXPENSES (Continued)

CAPITAL AND SURPLUS ACCOUNT	1 Current Year	2 Prior Year
33. Capital and surplus prior reporting period	14,818,026	11,371,930
34. Net income or (loss) from Line 32	(1,365,571)	7,423,060
35. Change in valuation basis of aggregate policy and claim reserves	0	0
36. Change in net unrealized capital gains and (losses) less capital gains tax of $.........0	0	0
37. Change in net unrealized foreign exchange capital gain or (loss)	0	0
38. Change in net deferred income tax	650,521	(654,137)
39. Change in nonadmitted assets	(194,589)	(22,827)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles	0	0
44. Capital changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)	0	0
44.3 Transferred to surplus	0	0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital	0	0
46. Dividends to stockholders	0	(3,300,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	(909,639)	3,446,096
49. Capital and surplus end of reporting period (Line 33 plus 48)	13,908,387	14,818,026

DETAILS OF WRITE-INS

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

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	97,150,412	92,756,546
2.	Net investment income	517,366	665,154
3.	Miscellaneous income	(178,460)	0
4.	Total (Lines 1 through 3)	97,489,318	93,421,700
5.	Benefit and loss related payments	82,745,324	71,889,592
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7.	Commissions, expenses paid and aggregate write-ins for deductions	13,392,568	10,800,354
8.	Dividends paid to policyholders	0	0
9.	Federal and foreign income taxes paid (recovered) net of $..........0 tax on capital gains (losses)	(1,443,458)	3,195,226
10.	Total (Lines 5 through 9)	94,694,434	85,885,172
11.	Net cash from operations (Line 4 minus Line 10)	2,794,884	7,536,528
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	703,068	5,473,797
	12.2 Stocks	0	0
	12.3 Mortgage loans	0	0
	12.4 Real estate	0	0
	12.5 Other invested assets	0	0
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	15	77
	12.7 Miscellaneous proceeds	3,935,836	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	4,638,919	5,473,874
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	8,054,430	8,007,344
	13.2 Stocks	0	0
	13.3 Mortgage loans	0	0
	13.4 Real estate	0	0
	13.5 Other invested assets	0	0
	13.6 Miscellaneous applications	0	0
	13.7 Total investments acquired (Lines 13.1 to 13.6)	8,054,430	8,007,344
14.	Net increase (decrease) in contract loans and premium notes	0	0
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(3,415,511)	(2,533,470)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	0	3,300,000
	16.6 Other cash provided (applied)	(400,167)	3,439,844
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(400,167)	139,844
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(1,020,794)	5,142,902
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	5,594,397	451,495
	19.2 End of year (Line 18 plus Line 19.1)	4,573,603	5,594,397

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

20.0001	Change in Payable for Securities	3,935,836	0

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plans	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	98,180,276	56,837,348	0	0	0	0	41,342,928	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	98,675	98,675	0	0	0	0	0	0	0	0
3. Fee-for-service (net of $..........0 medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	98,278,951	56,936,023	0	0	0	0	41,342,928	0	0	0
8. Hospital/medical benefits	64,770,798	33,641,674	0	0	0	0	31,129,124	0	0	XXX
9. Other professional services	0	0	0	0	0	0	0	0	0	XXX
10. Outside referrals	1,134,882	551,167	0	0	0	0	583,715	0	0	XXX
11. Emergency room and out-of-area	3,974,516	2,896,405	0	0	0	0	1,078,111	0	0	XXX
12. Prescription drugs	14,174,737	9,048,177	0	0	0	0	5,126,560	0	0	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	396,015	194,061	0	0	0	0	201,954	0	0	XXX
15. Subtotal (Lines 8 to 14)	84,450,948	46,331,484	0	0	0	0	38,119,464	0	0	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total hospital and medical (Lines 15 minus 16)	84,450,948	46,331,484	0	0	0	0	38,119,464	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including $.....1,625,783 cost containment expenses	2,421,320	1,649,352	0	0	0	0	771,968	0	0	0
20. General administrative expenses	11,010,883	7,453,523	0	0	0	0	3,557,360	0	0	0
21. Increase in reserves for accident and health contracts	2,036,283	2,036,283	0	0	0	0	0	0	0	XXX
22. Increase in reserve for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	99,919,434	57,470,642	0	0	0	0	42,448,792	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(1,640,483)	(534,619)	0	0	0	0	(1,105,864)	0	0	0

DETAILS OF WRITE-INS

	1	2	3	4	5	6	7	8	9	10
0501.	0	0	0	0	0	0	0	0	0	XXX
0502.	0	0	0	0	0	0	0	0	0	XXX
0503.	0	0	0	0	0	0	0	0	0	XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Total (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0602.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Total (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.	0	0	0	0	0	0	0	0	0	XXX
1302.	0	0	0	0	0	0	0	0	0	XXX
1303.	0	0	0	0	0	0	0	0	0	XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Total (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	56,837,348	0	0	56,837,348
2. Medicare supplement	0	0	0	0
3. Dental only	0	0	0	0
4. Vision only	0	0	0	0
5. Federal employees health benefits plan	0	0	0	0
6. Title XVIII - Medicare	41,342,928	0	0	41,342,928
7. Title XIX - Medicaid	0	0	0	0
8. Other health	0	0	0	0
9. Health subtotal (Lines 1 through 8)	98,180,276	0	0	98,180,276
10. Life	0	0	0	0
11. Property/casualty	0	0	0	0
12. Totals (Lines 9 to 11)	98,180,276	0	0	98,180,276

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	82,349,309	45,978,950	0	0	0	0	36,370,359	0	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	82,349,309	45,978,950	0	0	0	0	36,370,359	0	0	0
2. Paid medical incentive pools and bonuses	396,015	194,061	0	0	0	0	201,954	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	9,110,256	5,493,732	0	0	0	0	3,616,524	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	9,110,256	5,493,732	0	0	0	0	3,616,524	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	54,939	54,939	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	54,939	54,939	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	231,372	0	0	0	0	0	231,372	0	0	0
6. Net healthcare receivables (a)	(37,468)	(88,412)	0	0	0	0	50,944	0	0	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	7,427,685	5,409,256	0	0	0	0	2,018,429	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	7,427,685	5,409,256	0	0	0	0	2,018,429	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	69,354	69,354	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	69,354	69,354	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	231,372	0	0	0	0	0	231,372	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	84,054,933	46,137,423	0	0	0	0	37,917,510	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	84,054,933	46,137,423	0	0	0	0	37,917,510	0	0	0
13. Incurred medical incentive pools and bonuses	396,015	194,061	0	0	0	0	201,954	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Medical and Hospital)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in process of adjustment:										
1.1 Direct	1,520,015	1,003,792	0	0	0	0	516,223	0	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	1,520,015	1,003,792	0	0	0	0	516,223	0	0	0
2. Incurred but unreported:										
2.1 Direct	7,590,241	4,489,940	0	0	0	0	3,100,301	0	0	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4 Net	7,590,241	4,489,940	0	0	0	0	3,100,301	0	0	0
3. Amounts withheld from paid claims and capitations:										
3.1 Direct	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. Totals:										
4.1 Direct	9,110,256	5,493,732	0	0	0	0	3,616,524	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	9,110,256	5,493,732	0	0	0	0	3,616,524	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

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

	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
Line of Business	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)	5,471,681	40,507,269	316,528	5,232,143	5,788,209	5,478,610
2. Medicare supplement	0	0	0	0	0	0
3. Dental only	0	0	0	0	0	0
4. Vision only	0	0	0	0	0	0
5. Federal employees health benefits plan	0	0	0	0	0	0
6. Title XVIII - Medicare	2,074,743	34,295,616	131,867	3,484,657	2,206,610	2,018,429
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8)	7,546,424	74,802,885	448,395	8,716,800	7,994,819	7,497,039
10. Healthcare receivables (a)	0	102,868	0	0	0	140,336
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	0	396,015	0	231,372	0	231,372
13. Totals (Lines 9 - 10 + 11 + 12)	7,546,424	75,096,032	448,395	8,948,172	7,994,819	7,588,075

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	11,936	12,438	12,391	12,383	12,383
2. 2009	103,779	111,732	111,694	111,721	111,727
3. 2010	XXX	65,229	70,518	70,500	70,531
4. 2011	XXX	XXX	52,949	58,306	58,370
5. 2012	XXX	XXX	XXX	66,391	73,836
6. 2013	XXX	XXX	XXX	XXX	75,096

SECTION B - INCURRED HEALTH CLAIMS - GRAND TOTAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	12,514	12,609	12,425	12,383	12,383
2. 2009	114,444	112,400	111,741	111,773	111,727
3. 2010	XXX	72,036	71,003	70,550	70,563
4. 2011	XXX	XXX	59,021	58,372	58,428
5. 2012	XXX	XXX	XXX	73,951	74,195
6. 2013	XXX	XXX	XXX	XXX	84,044

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

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expense	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2009	133,206	111,727	2,267	2.0	113,994	85.6	0	0	113,994	85.6
2. 2010	81,739	70,531	1,732	2.5	72,263	88.4	32	1	72,296	88.4
3. 2011	72,746	58,370	1,580	2.7	59,950	82.4	58	1	60,009	82.5
4. 2012	93,219	73,836	1,973	2.7	75,809	81.3	359	3	76,171	81.7
5. 2013	98,279	75,096	2,172	2.9	77,268	78.6	8,948	165	86,381	87.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid 1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	11,724	12,226	12,180	12,172	12,172
2. 2009	93,795	100,928	100,882	100,901	100,907
3. 2010	XXX	48,983	52,796	52,779	52,807
4. 2011	XXX	XXX	37,659	41,574	41,630
5. 2012	XXX	XXX	XXX	43,426	48,807
6. 2013	XXX	XXX	XXX	XXX	40,699

SECTION B - INCURRED HEALTH CLAIMS - HOSPITAL AND MEDICAL

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year 1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	12,294	12,395	12,213	12,172	12,172
2. 2009	103,107	101,569	100,922	100,948	100,907
3. 2010	XXX	54,333	53,166	52,818	52,831
4. 2011	XXX	XXX	41,633	41,627	41,677
5. 2012	XXX	XXX	XXX	48,765	49,053
6. 2013	XXX	XXX	XXX	XXX	45,931

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - HOSPITAL AND MEDICAL

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2009	121,317	100,907	2,046	2.0	102,953	84.9	0	0	102,953	84.9
2. 2010	61,355	52,807	1,449	2.7	54,256	88.4	24	1	54,281	88.5
3. 2011	52,114	41,630	1,250	3.0	42,880	82.3	47	1	42,928	82.4
4. 2012	61,950	48,807	1,469	3.0	50,276	81.2	246	2	50,524	81.6
5. 2013	56,936	40,699	1,462	3.6	42,161	74.0	5,232	102	47,495	83.4

U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicare Supp.
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Dental
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Dental
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Dental
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Vision
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Vision
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Vision
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Fed Emp Health
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Fed Emp Health
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED CLAIMS

(000 Omitted)

SECTION A - PAID HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	212	212	211	211	211
2. 2009	9,984	10,804	10,812	10,820	10,820
3. 2010	XXX	16,246	17,722	17,721	17,724
4. 2011	XXX	XXX	15,290	16,732	16,740
5. 2012	XXX	XXX	XXX	22,965	25,029
6. 2013	XXX	XXX	XXX	XXX	34,397

SECTION B - INCURRED HEALTH CLAIMS - TITLE XVIII - MEDICARE

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2009	2 2010	3 2011	4 2012	5 2013
1. Prior	220	214	212	211	211
2. 2009	11,337	10,831	10,819	10,825	10,820
3. 2010	XXX	17,703	17,837	17,732	17,732
4. 2011	XXX	XXX	17,388	16,745	16,751
5. 2012	XXX	XXX	XXX	25,186	25,142
6. 2013	XXX	XXX	XXX	XXX	38,113

SECTION C - INCURRED YEAR HEALTH CLAIM AND CLAIM ADJUSTMENT EXPENSE RATIO - TITLE XVIII - MEDICARE

Years in Which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claim Payments	3 Claim Adjustment Expense Payments	4 Percent (Col. 3/2)	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 Percent (Col. 5/1)	7 Claims Unpaid	8 Unpaid Claim Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5 + 7 + 8)	10 Percent (Col. 9/1)
1. 2009	11,889	10,820	221	2.0	11,041	92.9	0	0	11,041	92.9
2. 2010	20,384	17,724	283	1.6	18,007	88.3	8	0	18,015	88.4
3. 2011	20,632	16,740	330	2.0	17,070	82.7	11	0	17,081	82.8
4. 2012	31,269	25,029	504	2.0	25,533	81.7	113	1	25,647	82.0
5. 2013	41,343	34,397	710	2.1	35,107	84.9	3,716	63	38,886	94.1

U & I Ex.-Pt.2C-Sn A-Paid Claims-Medicaid
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Medicaid
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Medicaid
NONE

U & I Ex.-Pt.2C-Sn A-Paid Claims-Other
NONE

U & I Ex.-Pt.2C-Sn B-Incurred Claims-Other
NONE

U & I Ex.-Pt.2C-Sn C-Expense Ratio-Other
NONE

UNDERWRITING AND INVESTMENT EXHIBIT

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

	1 Total	2 Comprehensive (Hospital and Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	30,945	30,945	0	0	0	0	0	0	0
2. Additional policy reserves (a)	2,119,593	2,119,593	0	0	0	0	0	0	0
3. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0
4. Reserve for rate credits or experience rating refunds (including $..........0) for investment income	405	405	0	0	0	0	0	0	0
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	2,150,943	2,150,943	0	0	0	0	0	0	0
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0
8. Totals (net) (Page 3, Line 4)	2,150,943	2,150,943	0	0	0	0	0	0	0
9. Present value of amounts not yet due on claims	0	0	0	0	0	0	0	0	0
10. Reserve for future contingent benefits	54,939	54,939	0	0	0	0	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	54,939	54,939	0	0	0	0	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0
14. Totals (net) (Page 3, Line 7)	54,939	54,939	0	0	0	0	0	0	0

DETAILS OF WRITE-INS

	1	2	3	4	5	6	7	8	9
0501.	0	0	0	0	0	0	0	0	0
0502.	0	0	0	0	0	0	0	0	0
0503.	0	0	0	0	0	0	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.	0	0	0	0	0	0	0	0	0
1102.	0	0	0	0	0	0	0	0	0
1103.	0	0	0	0	0	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $.....2,119,593 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses 1 Cost Containment Expenses	Claim Adjustment Expenses 2 Other Claim Adjustment Expenses	3 General Administrative Expenses	4 Investment Expenses	5 Total
1. Rent ($..........0 for occupancy of own building)	0	5,644	68,567	290	74,501
2. Salaries, wages and other benefits	1,135,103	333,570	2,916,934	17,125	4,402,732
3. Commissions (less $..........0 ceded plus $..........0 assumed)	0	0	3,575,993	0	3,575,993
4. Legal fees and expenses	20,478	6,018	74,795	309	101,600
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	0	109,232	1,332,506	0	1,441,738
7. Traveling expenses	0	8,059	97,895	414	106,368
8. Marketing and advertising	0	0	208,296	0	208,296
9. Postage, express and telephone	0	19,468	236,494	1,000	256,962
10. Printing and office supplies	0	3,217	39,637	165	43,019
11. Occupancy, depreciation and amortization	0	0	0	0	0
12. Equipment	0	15,609	189,608	801	206,018
13. Cost or depreciation of EDP equipment and software	0	61,634	753,639	0	815,273
14. Outsourced services including EDP, claims, and other services	439,204	129,067	1,128,649	6,626	1,703,546
15. Boards, bureaus and association fees	3,808	1,119	9,786	57	14,770
16. Insurance, except on real estate	27,190	7,990	70,282	0	105,462
17. Collection and bank service charges	0	3,094	37,588	159	40,841
18. Group service and administration fees	0	2,108	25,715	0	27,823
19. Reimbursements by uninsured plans	0	0	0	0	0
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	0	7,363	89,444	378	97,185
22. Real estate taxes	0	939	11,460	0	12,399
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	(12,760)	0	(12,760)
23.2 State premium taxes	0	0	0	0	0
23.3 Regulatory authority licenses and fees	0	0	21,112	0	21,112
23.4 Payroll taxes	0	21,029	255,449	1,080	277,558
23.5 Other (excluding federal income and real estate taxes)	0	1,934	52,004	0	53,938
24. Investment expenses not included elsewhere	0	0	0	0	0
25. Aggregate write-ins for expenses	0	58,443	(172,210)	0	(113,767)
26. Total expenses incurred (Lines 1 to 25)	1,625,783	795,537	11,010,883	28,404	(a)......13,460,607
27. Less expenses unpaid December 31, current year	114,015	55,790	31,666	0	201,471
28. Add expenses unpaid December 31, prior year	94,970	52,665	14,201	0	161,836
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year	0	0	0	0	0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	1,606,738	792,412	10,993,418	28,404	13,420,972

DETAILS OF WRITE-INS

	1	2	3	4	5
2501. Pharmacy Rebate Expense	0	0	181,242	0	181,242
2502. Miscellaneous Expense	0	58,443	(9,799)	0	48,644
2503. Interest Expense	0	0	2,837	0	2,837
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	(346,490)	0	(346,490)
2599. TOTALS (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	58,443	(172,210)	0	(113,767)

(a) Includes management fees of $.....13,214,257 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) 329,492	344,079
1.1	Bonds exempt from U.S. tax	(a) 0	0
1.2	Other bonds (unaffiliated)	(a) 247,506	251,107
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	0	0
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5.	Contract loans	0	0
6.	Cash, cash equivalents and short-term investments	(e) 11,504	11,504
7.	Derivative instruments	(f) 0	0
8.	Other invested assets	0	0
9.	Aggregate write-ins for investment income	3,616	3,616
10.	Total gross investment income	592,118	610,306
11.	Investment expenses		(g) 27,324
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 1,080
13.	Interest expense		(h) 0
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		28,404
17.	Net investment income (Line 10 minus Line 16)		581,902

DETAILS OF WRITE-INS

0901.	Intercompany Interest	3,577	3,577
0902.	Miscellaneous Interest	39	39
0903.		0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	3,616	3,616
1501.			0
1502.			0
1503.			0
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....63,136 accrual of discount less $.....16,788 amortization of premium and less $.....47,688 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 $.....11,504 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 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	0	(726,765)	(726,765)	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	0	0	0	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	15	0	15	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	15	(726,765)	(726,750)	0	0

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	37,000	0	(37,000)
12. Subtotals, cash and invested assets (Lines 1 to 11)	37,000	0	(37,000)
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	99,300	47,799	(51,501)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
15.3 Accrued retrospective premiums	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	106,088	0	(106,088)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	242,388	47,799	(194,589)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. TOTALS (Lines 26 and 27)	242,388	47,799	(194,589)

DETAILS OF WRITE-INS

1101. Receivables Associated with Part D Claims Overpayments	37,000	0	(37,000)
1102.	0	0	0
1103.	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	37,000	0	(37,000)
2501.	0	0	0
2502.	0	0	0
2503.	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	0	0	0

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health maintenance organizations	14,098	15,360	16,546	17,535	18,635	198,732
2. Provider service organizations	0	0	0	0	0	0
3. Preferred provider organizations	0	0	0	0	0	0
4. Point of service	2,974	1,342	1,137	792	667	12,261
5. Indemnity only	0	0	0	0	0	0
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	17,072	16,702	17,683	18,327	19,302	210,993

DETAILS OF WRITE-INS

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

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

	Health Care Receivables Collected During the Year		Heath Care Receivables Accrued as of December 31 of Current Year		5	6
Type of Health Care Receivable	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	122,078	1,727,820	0	102,868	122,078	140,336
2. Claim overpayment receivables	0	0	0	178,460	0	0
3. Loans and advances to providers	0	0	0	0	0	0
4. Capitation arrangement receivables	0	0	0	0	0	0
5. Risk sharing receivables	0	0	0	0	0	0
6. Other health care receivables	0	0	0	0	0	0
7. Totals (Lines 1 through 6)	122,078	1,727,820	0	281,328	122,078	140,336

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

NOTES TO FINANCIAL STATEMENTS

1. Summary of significant accounting policies

A. Accounting practices

The accompanying statutory financial statements of Aetna Health Inc. (a Maine corporation) (the "Company"), indirectly a wholly-owned subsidiary of Aetna Inc. ("Aetna"), have been prepared in conformity with accounting practices prescribed or permitted by the Maine Department of Professional and Financial Regulation, Bureau of Insurance ("Maine Department") ("Maine Accounting Practices"). The Maine Department recognizes only statutory accounting practices prescribed or permitted by the State of Maine for determining and reporting the financial condition and results of operations of an insurance company, which include accounting practices and procedures adopted by the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* ("NAIC SAP").

The accompanying statutory financial statements have been prepared in conformity with Maine Accounting Practices ("Maine SAP") and are not intended to conform with U.S. generally accepted accounting principles ("U.S. GAAP"). Significant variances between Maine SAP and U.S. GAAP are as follows:

- Certain assets, designated as nonadmitted assets (in part, uncollected premiums are nonadmitted in accordance with Statements of Statutory Accounting Principles ("SSAP") No. 6, *Uncollected Premium Balances, Bills Receivable for Premiums, and Amounts Due From Agents and Brokers)* are not recorded as assets, but are charged to surplus. Thus, nonadmitting uncollected premiums eliminates the need for a separate allowance for doubtful accounts, which is utilized under GAAP;
- Bonds are recorded at amortized cost except for those with an NAIC designation of 3 through 6, which are reported at the lower of amortized cost or fair value. Therefore, changes in unrealized gains and losses for those securities held at amortized cost are not reflected in the financial statements. Under GAAP, bonds classified as available for sale are recorded at fair value, and related changes in unrealized gains and losses are recorded as a component of equity, net of deferred Federal income taxes; and
- Deferred tax assets and liabilities are determined and admitted in accordance with SSAP No. 101, *Income Taxes – A Replacement of SSAP No. 10R and SSAP No. 10* ("SSAP No. 101"). SSAP No. 101 became authoritative guidance for accounting and reporting of income taxes beginning January 1, 2012 and replaced SSAP No. 10R, *Income Taxes – Revised, A Temporary Replacement of SSAP No. 10.* Changes in net deferred tax assets and liabilities are reflected as changes in surplus. Under U.S. GAAP, changes in such assets and liabilities are reflected in net income. In addition, statutory accounting requires an admissibility test for deferred tax assets, which is not required under U.S. GAAP.

A reconciliation of the Company's net (loss) income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Maine for the years ending December 31, 2013 and 2012 is as follows:

(in thousands)	State of Domicile	December 31, 2013	December 31, 2012
Net (loss) income (derived using Maine Accounting Practices)	ME	$(1,366)	$7,423
State of Maine Prescribed Practices:			
None	ME	-	-
State of Maine Permitted Practices:			
None	ME	-	-
Net (loss) income (derived using NAIC SAP)		$(1,366)	$7,423
Capital and surplus (derived using Maine Accounting Practices)	ME	$13,908	$14,818
State of Maine Prescribed Practices:			
None	ME	-	-
State of Maine Permitted Practices:			
None	ME	-	-
Capital and surplus (derived using NAIC SAP)		$13,908	$14,818

B. Use of estimates in the preparation of the financial statements

The preparation of these financial statements in conformity with Maine Accounting Practices requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses. Actual results could differ from those estimates.

C. Accounting policies

The Company applies the following significant accounting policies:

(1) Cash, cash equivalents and short-term investments

Cash and cash equivalents include all highly liquid instruments readily convertible to cash with a maturity of three months or less from the date of purchase. Short-term investments primarily consist of investments purchased with an original maturity of one year or less. The carrying amounts of cash and cash equivalents and short-term investments reported in the accompanying Statutory Statements of Assets approximate fair value. Drafts that have not been presented for payment and remain outstanding at the balance sheet date are reported as a liability in the Statutory Statements of Liabilities, Capital and Surplus.

(2) Bonds

Bonds, which include special deposits, are carried at amortized cost except for those bonds with an NAIC designation of 3 through 6, which are carried at the lower of amortized cost or fair value. The amount carried at fair value is not material to the financial statements. Bond premiums and discounts are amortized using the scientific interest method. When quoted prices in active markets for identical assets are available, the Company uses these quoted market prices to determine the fair value of bonds. This is used primarily for U.S. government securities. In other cases where a quoted market price for identical assets in an active market is either not available or not observable, the Company estimates fair values using valuation methodologies based on available and observable market information or by using a matrix pricing model. If quoted market prices are not available, the Company determines fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. The Company had no investments where fair value was determined using broker quotes or an internal analysis of financial performance and cash flow projections at December 31, 2013 and 2012. Bonds include all investments whose maturity is greater than one year when purchased.

The Company periodically reviews its bonds to determine whether a decline in fair value below the carrying value is other-than temporary. For bonds, other than loan-backed and structured securities, an other-than-temporary impairment ("OTTI") shall be recorded if it is probable that the Company will be unable to collect all amounts due according to the contractual terms in effect at the date of acquisition. Yield-related impairments are deemed other-than-temporary when the Company intends to sell an investment at the reporting date before recovery of the cost of the investment. Declines deemed to be OTTI are recognized as realized capital losses.

For loan-backed and structured securities, the Company records OTTI when the fair value of the loan-backed or structured security is less than the amortized cost basis at the balance sheet date and (1) the Company intends to sell the investment, or (2) the Company does not have the intent and ability to retain the investment for the time sufficient to recover the amortized cost basis, or (3) the Company does not expect to recover the entire amortized cost basis of the security, even if it does not intend to sell the security and has the intent and ability to hold. If it is determined an OTTI has occurred because of (1) or (2), the amount of the OTTI is equal to the difference between the amortized cost and the fair value of the security at the balance sheet date and this difference is recorded as a realized capital loss. If it is determined an OTTI has occurred because of (3), the amount of the OTTI is equal to the difference between the amortized cost and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's effective interest rate and this difference is also accounted for as a realized capital loss.

The Company analyzes all relevant facts and circumstances for each investment when performing its analysis to determine whether an OTTI exists. Among the factors considered in evaluating whether a decline is other-than-temporary, management considers whether the decline in fair value results from a change in the quality of the investment security itself, whether the decline results from a downward movement in the market as a whole, the prospects for realizing the carrying value of the bond based on the investee's current and short-term prospects for recovery and other factors. The risks inherent in assessing the impairment of an investment include the risk that market factors may differ from our expectations and the risk that facts and circumstances factored into our assessment may change with the passage of time. Unexpected changes to market factors and circumstances that were not present in past reporting periods may result in a current period decision to sell securities that were not other-than-temporarily impaired in prior reporting periods.

(3) The Company did not own any common stock at December 31, 2013 or 2012.

(4) The Company did not own any preferred stock at December 31, 2013 or 2012.

(5) The Company did not have any mortgage loans at December 31, 2013 or 2012.

(6) Securities lending

The Company engages in securities lending by lending certain debt securities from its investment portfolio to other institutions for short periods of time. Borrowers must post cash collateral in the amount of 102% to 105% of the fair value of the loaned securities. The fair value of the loaned securities is monitored on a daily basis, with additional collateral obtained or refunded as the fair value of the loan securities fluctuate. The collateral is retained and invested by a lending agent according to the Company's guidelines to generate additional investment income for the Company. Pursuant to SSAP No. 103 - *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities* ("SSAP No. 103"), collateral required under the Company's securities lending program is carried on the Company's Statutory Statements of Assets, Liabilities, Capital and Surplus at December 31, 2013 and 2012 as both a receivable and payable. SSAP No. 103 became authoritative guidance for accounting and reporting of transfers and servicing of financial assets and extinguishment of liabilities beginning January 1, 2013 and supersedes SSAP No. 91R - Revised, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities.* Also pursuant to SSAP No. 103, if the collateral received from a counterparty is less than 100 percent at the reporting date, the difference between the actual collateral and 100 percent is nonadmitted. Collateral value is measured and compared to the loaned securities in aggregate by counterparty. The Company did not have any loaned securities at December 31, 2013 or 2012.

(7) The Company did not have any investments in any subsidiaries or affiliated companies at December 31, 2013 or 2012.

(8) The Company did not have any investments in any joint ventures, partnerships and limited liability companies at December 31, 2013 or 2012.

(9) The Company did not have any derivatives at December 31, 2013 or 2012.

(10) Aggregate health policy reserves and related expenses

The Company offers individual conversion policies to individuals that were previously covered by a qualifying group policy. These policies are generally renewable at the option of the policyholder and statutory regulations preclude the Company from canceling coverages and may limit premium rate increases. Due to Federal Health Care Reform, the Company expects that the vast majority of these policies will terminate before the end of 2014. The Company has established an individual conversion reserve ("ICR") for such policies. The ICR represents the estimated net present value of future benefits to be paid to or on behalf of policyholders and related expenses less the estimated present value of future net premiums. The Company estimates its ICR using actuarial principles and assumptions which consider, among other things, contractual requirements, future premium increases, discount rates, historical utilization trends and payment patterns, persistency of membership and other relevant factors based on the Company's experience. ICR expenses are recorded as an increase in reserves for life and accident and health contracts. The Company had no ICR at December 31, 2013 or 2012.

Premium deficiency reserves ("PDR") are recognized when it is probable that the expected future hospital and medical costs, including maintenance costs, will exceed anticipated future premiums and reinsurance recoveries on existing contracts. Where allowed, anticipated investment income is considered in the calculation of any PDR. For purposes of calculating a PDR, contracts are grouped in manner consistent with the method of acquiring, servicing and measuring the profitability of such contracts. The PDR balances of $2,119,593 and $83,310 were included in aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus at December 31, 2013 and 2012, respectively.

Unearned premium reserves ("UEP") are recognized for premiums that are recorded by the Company that have not been earned as of the statement date. The UEP balances of $30,945 and $18,877 were included in aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus at December 31, 2013 and 2012, respectively.

The Company is required to make premium rebate payments to customers that are enrolled under certain health insurance policies if specific minimum annual medical loss ratios ("MLR") are not met in the prior year. The Company's results for full-year 2013 and 2012 included an estimate of $405 and $111,148, respectively, of minimum MLR rebates, which were included in aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus.

(11) Hospital and medical costs and claims adjustment expenses and related reserves

Hospital and medical costs consist principally of fee-for-service medical claims and capitation costs. Claims unpaid include the Company's estimate of payments to be made on claims reported but not yet paid and for health care services rendered to enrollees but not yet reported to the Company as of the Statutory Statements of Assets, Liabilities, Capital and Surplus date. Such estimates are developed using actuarial principles and assumptions, which consider, among other things, historical and projected claim submission and processing patterns, medical cost trends, historical utilization of health care services, claim inventory levels, changes in membership and product mix, seasonality and other relevant factors. The Company reflects changes in estimates in hospital and medical costs in the Statutory Statements of Revenue and Expenses in the period they are determined. Capitation costs, which are recorded in hospital and medical expenses in the Statutory Statements of Revenue and Expenses, represent contractual monthly fees paid to participating physicians and other medical providers for providing medical care, regardless of the medical services provided to the enrollee.

The Company uses the triangulation method to estimate reserves for claims incurred but not reported. The method of triangulation makes estimates of completion factors which are then applied to the total paid claims (net of coordination of benefits) to date for each incurral month. This provides an estimate of the total projected incurred claims and total amount outstanding or claims incurred but not reported (claims unpaid). For the most current dates of service where there is insufficient paid claim data to rely solely on the triangulation method, the Company examines cost and utilization trends as well as environmental factors, plan changes, provider contracts, changes in membership and/or benefits, and historical seasonal patterns to estimate the reserve required for these months.

Claims adjustment expenses, which include cost containment expenses, represent the costs incurred related to the claim settlement process such as costs to record, process and adjust claims. These expenses are included in the Company's management agreement with an affiliate described in Note 10.

(12) The Company did not modify its capitalization policy from the prior period.

(13) Pharmaceutical rebate receivables

The Company estimates pharmaceutical rebate receivables based upon historical payment trends, actual utilization and other variables. Pharmaceutical rebates for a quarter are billed to the vendor within one month of the completion of the quarter with any adjustment to previously recorded amounts reflected at the time of billing. The Company reports pharmaceutical rebate receivables as health care receivables. Pharmacy rebate receivables over 90 days past due are nonadmitted. All rebates are processed and settled with an affiliated entity.

(14) Premiums and amounts due and unpaid

Premium revenue for prepaid health care products is recognized as income in the month in which enrollees are entitled to health care services. Premiums collected before the effective period are reported as premiums received in advance. Premiums related to unexpired contractual coverage periods are reported as unearned premiums in the Statutory Statements of Liabilities, Capital and Surplus (refer to discussion of aggregate health policy reserves and related expenses below).

Nonadmitted amounts consist of all premiums due and unpaid greater than 90 days past due, with the exception of amounts due under government insured plans, which may be admitted assets under certain circumstances. In addition, for any customer for which the premiums due and unpaid greater than 90 days past due is more than a de minimus portion of the entire balance of premiums due and unpaid for that customer, the entire balance of premiums due and unpaid for that customer is nonadmitted. Management also performs a specific review of accounts and based on the results of the review, additional amounts may be nonadmitted. Uncollectible amounts are generally written-off and charged to revenue in the period in which the customer reconciliations are completed and agreed to by the customer (retroactivity) or when the account is determined to be uncollectible by the Company.

(15) Aggregate health claim reserves

The reserve for future contingent benefits includes the estimated cost of services which will continue to be incurred after the Statutory Statements of Liabilities, Capital and Surplus date if the Company is obligated to pay for such services in accordance with contract provisions or regulatory requirements. These balances are recorded in aggregate health claim reserves in the Statutory Statements of Liabilities, Capital and Surplus and are estimated using a percentage of current hospital and medical costs, which is based on the Company's historical cost experience.

(16) Investment income due and accrued

Accrued investment income consists primarily of interest. Interest is recognized on an accrual basis and dividends are recorded as earned on the ex-dividend date. Due and accrued income is not recorded on: (a) bonds in default; and (b) bonds delinquent more than 90 days or where collection of interest is improbable. As of December 31, 2013 and 2012, the Company’s nonadmitted investment income due and accrued was zero.

(17) Covered and uncovered expenses and related liabilities

Covered expenses and related liabilities represent costs for health care expenses for which a member is not responsible in the event of the insolvency of the Company. Uncovered expenses and related liabilities represent costs to the Company for health care services that are the obligation of the Company and for which a member may also be liable in the event of the Company's insolvency.

(18) Federal and state income taxes

In accordance with a written tax sharing agreement with an affiliate, the Company's current Federal and state income tax provisions are generally computed as if the Company were filing a separate Federal and state income tax return; current income tax benefits, including those resulting from net operating losses, are recognized to the extent realized in the consolidated return. Pursuant to this agreement, the Company has the enforceable right to recoup Federal and state income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to Federal and state income taxes.

Deferred income tax assets ("DTAs") and liabilities ("DTLs") represent the expected future tax consequences of temporary differences generated by statutory accounting as defined in SSAP No. 101. DTAs and DTLs are computed by means of identifying temporary differences which are measured using a balance sheet approach whereby statutory and tax basis balance sheets are compared. Current income tax recoverables include all current income taxes, including interest, reasonably expected to be recovered in a subsequent accounting period.

Pursuant to SSAP No. 101, gross DTAs are first reduced by a statutory valuation allowance adjustment to an amount that is more likely than not to be realized ("adjusted gross DTAs"). Adjusted gross DTAs are then admitted in an amount equal to the sum of paragraphs a. b. and c. below:

a. Federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with Internal Revenue Service ("IRS") tax loss carryback provisions.

b. The amount of adjusted gross DTAs, after the application of paragraph a. above, expected to be realized within the applicable period and that is no greater than the applicable percentage as determined using the applicable Realization Threshold Limitation Table. The applicable period refers to the number of years in which the DTA will reverse in the Company's tax return and the applicable percentage refers to the percentage of the Company's statutory capital and surplus as required to be shown on the statutory balance sheet adjusted to exclude any net DTAs, electronic data processing equipment and operating system software and any net positive goodwill ("Stat Cap ExDTA").

   The Realization Threshold Limitation Tables allow DTAs to be admitted based upon either realization within 3 years and 15 percent of Stat Cap ExDTA, 1 year and 10 percent of Stat Cap ExDTA, or no DTA admitted pursuant to this paragraph b. In general, the Realization Threshold Limitation Tables allow the Company to admit more DTAs if total DTAs as reported by the Company are a smaller percentage of statutory capital and surplus.

c. The amount of gross DTAs, after the application of paragraphs a. and b. above that can be offset against existing gross DTLs. In applying this offset, the Company considers the character (i.e. ordinary versus capital) of the DTAs and DTLs such that offsetting would be permitted in the tax return under existing enacted federal income tax laws and regulations and the reversal patterns of temporary differences.

DTAs for the year ending December 31, 2011 were recalculated pursuant to SSAP No. 101. If recalculation resulted in an adjustment to the December 31, 2011 admitted DTA balance, a "cumulative effect of changes in accounting principle" was recorded in 2012 as a separate component of surplus ("Cumulative effect of changes in accounting principles").

Changes in DTAs and DTLs are recognized as a separate component of gains and losses in surplus ("Change in net deferred income tax") except to the extent allocated to changes in unrealized gains and losses. Changes in DTAs and DTLs allocated to unrealized gains and losses are netted against the related changes in unrealized gains and losses and are reported as "Change in net unrealized capital gains (losses)", also a separate component of gains and losses in surplus.

State income tax expense is recorded in general administrative expenses in the Statutory Statements of Revenue and Expenses. For the years ended December 31, 2013 and 2012, the Company incurred state income tax (recoveries) expense of $(12,760) and $213,538, respectively. At December 31, 2013 and 2012, the Company reported $165,220 and $126,733, respectively, as state income tax receivable, which was included as write-ins in the Statutory Statements of Assets.

2. Accounting changes and corrections of errors

The Company did not have any accounting changes or corrections of errors in the years ending December 31, 2013 and 2012.

3. Business combinations and goodwill

The Company was not a part of any business combinations that involved the statutory purchase method, a statutory merger, an assumption reinsurance, or an impairment loss in the years ending December 31, 2013 and 2012.

4. Discontinued operations

The Company did not have any discontinued operations in the years ending December 31, 2013 and 2012.

5. Investments

A. The Company did not have any mortgage loans, including Mezzanine Real Estate Loans, at December 31, 2013 or 2012.

B. The Company did not have any debt restructuring in the years ending December 31, 2013 and 2012.

C. The Company did not have any reverse mortgages at December 31, 2013 or 2012.

D. Loan-Backed Securities

(1) Prepayment assumptions for single class and multi-class mortgage backed/asset backed securities were obtained from industry market sources.

(2) The Company had no OTTI losses during 2013 on loan-backed and structured securities in which the Company had the (1) intent to sell, (2) did not have the intent and ability to retain for a period of time sufficient to recover the amortized cost basis or (3) present value of cash flows expected to be collected is less than the amortized cost basis of the securities in accordance with SSAP No. 43R, *Loan-Backed and Structured Securities*.

(3) The Company had no recognized OTTI on loan-backed and structured securities currently held, in which the present value of cash flows expected to be collected is less than the amortized cost basis, at December 31, 2013.

(4) The Company had no unrealized loss position on loan-backed and structured securities held by the Company at December 31, 2013.

E. The Company did not have any repurchase agreements or loaned securities transactions at December 31, 2013 or 2012.

F. The Company did not have any real estate at December 31, 2013 or 2012.

G. The Company did not have any low-income housing tax credits at December 31, 2013 or 2012.

H. The Company did not have any restricted assets at December 31, 2013 or 2012.

6. Joint ventures, partnerships, and limited liability companies

A. The Company did not have any joint ventures, partnerships, or limited liability companies that exceeded 10% of its admitted assets at December 31, 2013 or 2012.

B. The Company does not have any impaired investments in joint ventures, partnerships, or limited liability companies at December 31, 2013 or 2012.

7. Investment income

A. and B.

There was no investment income due and accrued excluded from surplus at December 31, 2013 or 2012.

8. Derivative instruments

The Company did not have any derivative instruments at December 31, 2013 or 2012.

9. Income taxes

A.

1. The components of the net DTAs recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:

(in thousands)	December 31, 2013		
	Ordinary	Capital	Total
(a) Gross DTAs	$835	$295	$1,130
(b) Statutory valuation allowance adjustment	-	(7)	(7)
(c) Adjusted gross DTAs	835	288	1,123
(d) DTAs nonadmitted	-	(106)	(106)
(e) Subtotal net admitted DTAs	835	182	1,017
(f) DTLs	-	(32)	(32)
(g) Net admitted DTAs/(DTLs)	$835	$150	$985

(in thousands)	December 31, 2012		
	Ordinary	Capital	Total
(a) Gross DTAs	$421	$41	$462
(b) Statutory valuation allowance adjustment	-	-	-
(c) Adjusted gross DTAs	421	41	462
(d) DTAs nonadmitted	-	-	-
(e) Subtotal net admitted DTAs	421	41	462
(f) DTLs	(5)	(16)	(21)
(g) Net admitted DTAs/(DTLs)	$416	$25	$441

(in thousands)	Change		
	Ordinary	Capital	Total
(a) Gross DTAs	$414	$254	$668
(b) Statutory valuation allowance adjustment	-	(7)	(7)
(c) Adjusted gross DTAs	414	247	661
(d) DTAs nonadmitted	-	(106)	(106)
(e) Subtotal net admitted DTAs	414	141	555
(f) DTLs	5	(16)	(11)
(g) Net admitted DTAs/(DTLs)	$419	$125	$544

2. The amount of admitted gross DTAs admitted under each component of SSAP No. 101:

(in thousands)	December 31, 2013		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$835	-	$835
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	-	$150	150
1. Adjusted gross DTAs expected to realized following the balance sheet date	-	150	150
2. Adjusted gross DTAs allowed per limitation threshold	-	-	1,938
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs		32	32
(d) DTAs admitted as the result of application of SSAP No. 101	$835	$182	$1,017

(in thousands)	December 31, 2012		
	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$421	-	$421
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	-	$40	40
1. Adjusted gross DTAs expected to realized following the balance sheet date	-	40	40
2. Adjusted gross DTAs allowed per limitation threshold	-	-	2,157
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs		1	1
(d) DTAs admitted as the result of application of SSAP No. 101	$421	$41	$462

(cont.)

(in thousands)	Change Ordinary	Change Capital	Change Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$414	-	$414
(b) Adjusted gross DTAs expected to be realized (excluding the amount of DTAs) after application of the threshold limitations (the lesser of 2(b)1 and 2(b)2 below)	-	$110	110
1. Adjusted gross DTAs expected to realized following the balance sheet date	-	110	110
2. Adjusted gross DTAs allowed per limitation threshold	-	-	(219)
(c) Adjusted gross DTAs (excluding the amount of DTAs from 2(a) and 2(b) above) offset by gross DTLs	-	31	31
(d) DTAs admitted as the result of application of SSAP No. 101	$414	$141	$555

3.

(in thousands)	2013	2012
(a) Ratio percentage used to determine recovery period and threshold limitation amount	340%	434%
(b) Amount of adjusted capital and surplus used to determine recovery period threshold limitation in 2(b)2 above	$12,923	$14,377

4. The impact of tax planning strategies are as follows:

(in thousands)	December 31, 2013 Ordinary	December 31, 2013 Capital	December 31, 2013 Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	$835	$288	$1,123
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	26%	26%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	$835	$182	$1,017
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	18%	18%

(in thousands)	December 31, 2012 Ordinary	December 31, 2012 Capital	December 31, 2012 Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	$421	$41	$462
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	9%	9%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	$421	$41	$462
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	9%	9%

(cont.)

(in thousands)	Change		
	Ordinary	Capital	Total
(a) Determination of adjusted gross DTAs and net admitted DTAs, by tax character as a percentage			
1. Adjusted gross DTAs amount from Note 9A1(c)	$414	$247	$661
2. Percentage of adjusted DTAs by tax character attributable to the impact of tax planning strategies	0%	17%	17%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	$414	$141	$555
4. Percentage of net admitted adjusted DTAs by tax character admitted because of the impact of tax planning strategies	0%	9%	9%

(b) Does the Company's tax-planning strategies include the use of reinsurance? Yes __ No _X_

B. There are no DTLs that were not recognized at December 31, 2013 or 2012.

C. Current income taxes incurred consist of the following major components:

(in thousands)	December 31, 2013	December 31, 2012	Change
1. Current income tax			
(a) Federal	$(426)	$2,689	$(3,115)
(b) Foreign	-	-	-
(c) Subtotal	(426)	2,689	(3,115)
(d) Federal income tax on net capital gains	6	17	(11)
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	$(420)	$2,706	$(3,126)

(in thousands)	December 31, 2013	2012	Change
2. DTAs:			
(a) Ordinary			
Claims unpaid	$35	$39	$(4)
Uncollected premiums - nonadmitted	2	2	-
Premium deficiency reserve	742	29	713
Goodwill	-	330	(330)
CMS Risk Share	5	-	5
Long-term prepaid expenses - nonadmitted	13	-	13
Patient-Centered Outcomes Research Institute fee	3	4	(1)
Premiums receivable - nonadmitted	35	17	18
Total ordinary DTAs	835	421	414
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted ordinary DTAs	-	-	-
(d) Admitted ordinary DTAs	835	421	414
(e) Capital			
Investments	295	41	254
Total capital DTAs	295	41	254
(f) Statutory valuation allowance adjustment	(7)	-	(7)
(g) Nonadmitted capital DTAs	(106)	-	(106)
(h) Admitted capital DTAs	182	41	141
(i) Admitted DTAs	1,017	462	555
3. DTLs:			
(a) Ordinary			
Allowance for billing adjustment	-	5	(5)
Ordinary DTLs	-	5	(5)
(b) Capital			
Investments	32	16	16
Capital DTLs	32	16	16
(c) Total DTLs	32	21	11
4. Net admitted DTAs	$985	$441	$544

During 2001, the Company was allocated tax goodwill in the amount of $26,614,432 that was created upon the acquisition of the NYLCare health business. The unamortized balance of this tax goodwill is $0 and $944,853 at December 31, 2013 and 2012, respectively. For tax purposes this goodwill will be amortized in future periods.

The change in net deferred income taxes is comprised of the following:

(in thousands)	December 31, 2013	2012	Change
Total DTAs	$1,123	$462	$661
Total DTLs	(32)	(21)	(11)
Net DTAs/(DTLs)	$1,091	$441	650
Tax effect of unrealized gains (losses)			-
Change in net deferred income tax			$650

The valuation allowance adjustment to gross DTAs was $6,687,000 and $0 for December 31, 2013 and 2012, respectively.

D. The (benefit) provision for Federal income taxes is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The items causing this difference were as follows:

(in thousands)	December 31, 2013	Effective tax rate	December 31, 2012	Effective tax rate
(Benefit) provision computed at statutory rate	$(625)	35.0%	$3,545	35.0%
Permanent items, including transfer pricing adjustment	(357)	20.0%	(219)	(2.1)%
Change in nonadmitted assets	(31)	1.7%	(8)	(0.1)%
Change in statutory valuation allowance adjustment	7	(0.4)%	-	0.0%
Prior year return to provision adjustment	(64)	3.6%	42	0.4%
Total	$(1,070)	59.9%	$3,360	33.2%
Federal and foreign income tax expense incurred	$(420)	23.5%	$2,706	26.7%
Change in net deferred income taxes	(650)	36.4%	654	6.5%
Total statutory income taxes	$(1,070)	59.9%	$3,360	33.2%

The transfer pricing adjustment allows taxpayers to apply different methods to price current period intercompany services at arm's length prices as compared to what would be charged to an unrelated entity, which results in a permanent deduction for tax reporting purposes.

E.

1. At December 31, 2013, the Company had no net capital loss or net operating loss carryforwards for tax purposes.

2. There are no Federal income taxes incurred that are available for recoupment in the event of future net losses for the year ended December 31, 2013. The amount of Federal income taxes incurred that is available for recoupment in the event of future net losses is $2,599,978 for the year ended December 31, 2012.

3. The Company did not report any deposits as admitted assets under Internal Revenue Code Section 6603 at December 31, 2013 and 2012.

F.

1. At December 31, 2013, the Company's Federal Income Tax Return was consolidated with the following entities:

Aetna Inc. - Parent Company
@ Credentials Inc.
Active Health Management, Inc.
Adminco, Inc.
Administrative Enterprises, Inc.
AE Fourteen, Incorporated
AET Health Care Plan, Inc.
Aetna ACO Holdings, Inc.
Aetna Better Health Inc. (Connecticut)
Aetna Better Health Inc. (Florida)
Aetna Better Health Inc. (Georgia)
Aetna Better Health Inc. (Illinois)
Aetna Better Health Inc. (New Jersey)
Aetna Better Health Inc. (New York)
Aetna Better Health Inc. (Ohio)
Aetna Better Health Inc. (Pennsylvania)
Aetna Better Health Inc. (Tennessee) (f/k/a HealthCare USA of Tennessee, Inc.)
Aetna Better Health, Inc. (Louisiana)
Aetna Dental Inc. (New Jersey)
Aetna Dental Inc. (Texas)
Aetna Dental of California Inc.
Aetna Health and Life Insurance Company
Aetna Health Finance, Inc.
Aetna Health Inc. (Connecticut)
Aetna Health Inc. (Florida)
Aetna Health Inc. (Georgia)

Coventry Health Care of Illinois, Inc.
Coventry Health Care of Iowa, Inc.
Coventry Health Care of Kansas, Inc.
Coventry Health Care of Louisiana, Inc.
Coventry Health Care of Missouri, Inc.
Coventry Health Care of Nebraska, Inc.
Coventry Health Care of Pennsylvania, Inc.
Coventry Health Care of Texas, Inc.
Coventry Health Care of the Carolinas, Inc.
Coventry Health Care of Virginia, Inc.
Coventry Health Care of West Virginia, Inc.
Coventry Health Care Workers' Compensation, Inc.
Coventry Health Care, Inc.
Coventry Health Plan of Florida, Inc.
Coventry HealthCare Management Corporation
Coventry Management Services, Inc.
Coventry Prescription Management Services, Inc.
Coventry Rehabilitation Services, Inc. (f/k/a First Health Strategies, Inc.)
Coventry Summit Health Plan, Inc.
Coventry Transplant Network, Inc.
CoventryCares of Michigan, Inc.
Delaware Physicians Care, Incorporated
First Health Group Corp.
First Health Life and Health Insurance Company
First Script Network Services, Inc.
Florida Health Plan Administrators, LLC

Aetna Health Inc. (Maine)
Aetna Health Inc. (Michigan)
Aetna Health Inc. (New Jersey)
Aetna Health Inc. (New York)
Aetna Health Inc. (Pennsylvania)
Aetna Health Inc. (Texas)
Aetna Health Insurance Company
Aetna Health Insurance Company of New York
Aetna Health of California Inc.
Aetna Insurance Company of Connecticut
Aetna Integrated Informatics, Inc.
Aetna International Inc.
Aetna Ireland Inc.
Aetna Life and Casualty (Bermuda) Ltd.
Aetna Life Assignment Company
Aetna Life Insurance Company
Aetna Risk Indemnity Company Limited
Aetna Student Health Agency Inc.
AHP Holdings, Inc.
Allviant Corporation
Altius Health Plans, Inc.
American Health Holding, Inc.
AUSHC Holdings, Inc.
Broadspire National Services, Inc.
Cambridge Life Insurance Company
Carefree Insurance Services, Inc.
CHC Casualty Risk Retention Group, Inc.
Chickering Claims Administrators, Inc.
Claims Administration Corporation
Cofinity, Inc.
Coventry Consumer Advantage, Inc.
Coventry Financial Management Services, Inc.
Coventry Health and Life Insurance Company
Coventry Health Care National Accounts, Inc.
Coventry Health Care National Network, Inc.
Coventry Health Care of Delaware, Inc.
Coventry Health Care of Florida, Inc.
Coventry Health Care of Georgia, Inc.
FOCUS Healthcare Management, Inc.
Group Dental Service of Maryland, Inc.
Group Dental Service, Inc.
Health and Human Resource Center, Inc.
Health Data & Management Solutions, Inc.
Health Re, Incorporated
HealthAmerica Pennsylvania, Inc.
HealthAssurance Financial Services, Inc.
HealthAssurance Pennsylvania, Inc.
HealthCare USA of Missouri, LLC
Jaguar Merger Subsidiary, Inc.
Luettgens Limited
Managed Care Coordinators, Inc.
Medicity Inc.
Mental Health Associates, Inc.
Mental Health Network of New York IPA, Inc.
Meritain Health, Inc.
MetraComp, Inc.
MHNet Life and Health Insurance Company
MHNet of Florida, Inc.
Missouri Care, Incorporated
Niagara Re, Inc.
PayFlex Holdings, Inc.
PayFlex Systems USA, Inc.
Performax, Inc.
Precision Benefit Services, Inc.
Prime Net, Inc.
Prodigy Health Group, Inc.
Professional Risk Management, Inc.
Resources for Living, LLC
Schaller Anderson Medical Administrators, Incorporated
Strategic Resource Company
The Vasquez Group Inc.
U.S. Healthcare Properties, Inc.
WellPath of South Carolina, Inc.
Work and Family Benefits, Inc.

2. As explained in Note 1, the Company participates in a tax sharing agreement with its parent and affiliates.

G. The Company does not have any Federal or foreign income tax loss contingencies.

10. Information concerning Parent, subsidiaries, affiliates, and other related parties

A. B. and C.

The Company did not pay any dividends in 2013. The Company paid $3,300,000 as an ordinary dividend to its parent on August 29, 2012. The Maine Department approved this distribution on August 16, 2012. The Company did not receive capital contributions in 2013 or 2012.

D. Amounts due to and due from affiliates shown in the accompanying Statutory Statements of Assets, Liabilities, Capital and Surplus include the Company's net receipts and disbursements processed by affiliates and transactions related to its administrative services agreement with Aetna Health Management, LLC (“AHM”), indirectly a wholly-owned subsidiary of Aetna.

At December 31, 2013 and 2012, the Company reported $4,151,258 and $4,556,051, respectively, as amounts due to AHM. At December 31, 2013 and 2012, the Company did not have any amounts due from affiliates.

The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

E. At December 31, 2013, the Company did not have any guarantees or undertakings with its affiliates or parent company.

F. As of and for the years ending December 31, 2013 and 2012, the Company had the following significant transactions with affiliates:

The Company and AHM are parties to an administrative services agreement, under which AHM provides certain administrative services, including accounting and processing of premiums and claims. Under this agreement, the Company remits a percentage of its earned commercial, Medicaid and Medicare premium revenue, as applicable, to AHM as a fee, subject to an annual true-up mechanism as defined in the agreement. Under the agreement, this true-up is due to be settled with the affiliate by April 15th of the following contract year (which is January 1 to December 31 annually). For these services, the Company was charged the following:

(in thousands)	2013	2012
Administrative service fee	$13,214	$10,386
Current year estimated accrued true-up	-	-
Total administrative service fee	$13,214	$10,386

This agreement also provides for interest on all intercompany balances. Interest earned on amounts due from affiliates was $3,577 in 2013 and $6,698 in 2012. Interest incurred on amounts due to affiliates was $2,837 in 2013 and $552 in 2012.

The Company is a party to an agreement which enables the Company to receive manufacturers' pharmacy rebates from AHM under which the Company remits a percentage of its earned pharmaceutical rebates to AHM as a fee. The Company earned pharmaceutical rebates of $1,812,429 and $1,395,962, which were recorded as a reduction of hospital and medical costs, in 2013 and 2012, respectively. The Company incurred pharmaceutical rebate fees, which were recorded as administrative expense, of $181,242 in 2013 and $139,596 in 2012. At December 31, 2013 and 2012, the Company reported $102,868 and $140,336, respectively, as amounts due from AHM related to pharmaceutical rebates which were reflected in health care and other amounts receivable. The terms of settlement require that these amounts be settled within 45 days after the end of the calendar quarter.

The amounts reported on the Underwriting and Investment Exhibit, Part 3 represent the expenses incurred under the terms of the administrative agreement, allocated to the Company in accordance SSAP No. 70, *Allocation of Expenses* ("SSAP No. 70"). SSAP No. 70 states "shared expenses, including expenses under the terms of a management contract, shall be apportioned to the entities incurring the expense as if the expense had been paid solely by the incurring entity. The apportionment shall be completed based upon specific identification to the entity incurring the expense. Where specific identification is not feasible, apportionment shall be based upon pertinent factors or ratios." The Company allocates these expenses based upon a percentage calculated using actual general and administrative expenses incurred by AHM.

The Company has coverage for certain litigation exposures ($10,000,000 per claim and in the aggregate including defense costs) through an affiliated captive insurance company.

The Company has an insolvency agreement with Aetna Health Insurance Company ("AHIC"), a wholly-owned subsidiary of Aetna. This agreement provides that in the event that the Company ceases operations or becomes insolvent, AHIC will continue to pay benefits for any members confined as inpatients on the date of insolvency until their discharge. This agreement also provides that AHIC will continue benefits for any member until the end of the contract period for which premium has been paid, but for no longer than thirty-one days. AHIC will also make available to members, for a period of thirty-one days, replacement insurance policies.

As explained in Note 1, the Company participates in a tax sharing agreement with Aetna and Aetna's other subsidiaries. All Federal income tax receivables/payables are due from/due to Aetna.

G. All outstanding shares of the Company are owned by Aetna Health Holdings, LLC, whose ultimate parent is Aetna.

H. At December 31, 2013, the Company did not hold any investments in any affiliate and did not own shares of any upstream intermediate of Aetna.

I. At December 31, 2013, the Company did not hold any investments in any subsidiary, controlled or affiliated ("SCA") entity.

J. At December 31, 2013, the Company did not hold any investments in any impaired SCA entity.

K. At December 31, 2013, the Company did not hold any investments in any foreign insurance subsidiaries.

L. At December 31, 2013, the Company did not hold any investments in a downstream noninsurance holding company.

11. Debt

A. The Company did not have any items related to debt, including capital notes at December 31, 2013.

B. The Company did not have any Federal Home Loan Bank agreements at December 31, 2013.

12. Retirement plans, deferred compensation, postemployment benefits and compensated absences and other postretirement benefit plans

The Company did not have a retirement plan, deferred compensation plan, or other postretirement benefit plan at December 31, 2013 or 2012.

13. Capital and surplus, shareholders' dividend restrictions and quasi-reorganizations

(1) The Company has 1,000,000 shares of common stock with $1 par value authorized, issued and outstanding at December 31, 2013 and 2012.

(2) The Company did not have any preferred stock authorized or outstanding at December 31, 2013 or 2012.

(3) Dividend restrictions

Under the laws of the State of Maine, the Company shall not pay any extraordinary dividend or make any other extraordinary distribution until sixty days after the Maine Department has received notice of the declaration thereof and has not within such period disapproved such payment or the Maine Department has approved such payment within such sixty day period. An extraordinary dividend or distribution includes any dividend or distribution that exceeds the greater of: ten percent of such insurer's surplus as regards policyholders as of December 31st of the preceding year; or the net gain from operations for the twelve month period ending December 31st of the preceding year. Ordinary dividends are ultimately limited to earned surplus.

The Company may make a non-extraordinary dividend with prior notification to the Maine Department within five business days following the declaration of any non-extraordinary dividend and at least ten days prior to the payment of any non-extraordinary dividend.

In addition, any dividend or distribution declared at any time within five years following any acquisition of control of a domestic insurer or by any person controlling that insurer is an extraordinary dividend if it has not been approved by a number of continuing directors equal to a majority of the continuing directors in office immediately preceding the acquisition of control.

(4) The Company did not pay any dividends in 2013. The Company paid $3,300,000 as an ordinary dividend to its parent on August 29, 2012. The Maine Department approved this distribution on August 16, 2012. The Company did not receive capital contributions in 2013 or 2012.

(5) At December 31, 2013, the portion of the Company's profits that may be paid as ordinary dividends to stockholders was $1.4 million.

(6) There were no restrictions placed on the Company's surplus, including for whom the surplus was being held at December 31, 2013 or 2012, except as noted in Note 21.

(7) Not applicable to the Company.

(8) The Company did not hold any stock for any special purposes at December 31, 2013 or 2012.

(9) There were no changes in the balances of any special surplus funds from the prior period.

(10) At December 31, 2013, there was no portion of unassigned funds (surplus) that was represented or reduced by unrealized gains and (losses).

(11) The Company did not have any special surplus funds or surplus notes at December 31, 2013 or 2012.

(12) The Company did not participate in any quasi-reorganizations during the statement year.

(13) The Company did not participate in any quasi-reorganizations in the past 10 years.

14. Contingencies

A. The Company did not have any contingent commitments at December 31, 2013 or 2012.

B. The Company did not have any contingent assessments at December 31, 2013 or 2012.

C. The Company did not have any gain contingencies at December 31, 2013 or 2012.

D. The Company did not have any claims related extra contractual obligation and bad faith losses stemming from lawsuits at December 31, 2013 or 2012.

E. The Company did not have any product warranties at December 31, 2013 or 2012.

F. Various liabilities arise in the normal course of the Company's business and have been recorded. In the opinion of management, any ultimate contingent losses will not have a material adverse effect on the Company's future results of operations and financial position. The Company, to the best of its knowledge, has no assets that it considers impaired that are not already recorded in the Company's books.

15. Leases

The Company did not have any material lease obligations at December 31, 2013 or 2012.

16. Information about financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk

The Company did not have any financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk at December 31, 2013 or 2012.

17. Sale, transfer and servicing of financial assets and extinguishments of liabilities

A. Transfers of receivables reported as sales

(1) The Company did not have any transfers of receivables as sales for the years ending December 31, 2013 and 2012.

B. Transfer and servicing of financial assets

(1) The Company's policy for requiring collateral or other security for security lending transactions as required in SAP No. 103 is discussed in Note 1. The Company did not have any loaned securities at December 31, 2013 or 2012.

(2) and (3)

The Company did not have any servicing assets or liabilities at December 31, 2013 or 2012.

(4) The Company did not have any securitized financial assets at December 31, 2013 or 2012.

(5) The Company did not have any transfers of financial assets at December 31, 2013 or 2012.

(6) The Company did not have any transfers of receivables with recourse at December 31, 2013 or 2012.

(7) The Company did not have any repurchase or reverse repurchase agreements at December 31, 2013 or 2012.

C. Wash sales

(1) The Company did not have any wash sales for the years ending December 31, 2013 or 2012.

18. Gain or loss to the HMO from uninsured plans and the uninsured portion of partially insured plans

A. The Company did not serve as an Administrative Services Only for uninsured accident and health plans or the uninsured portion of partially insured plans for the period ended December 31, 2013.

B. The Company did not serve as an Administrative Services Contract plan administrator for uninsured accident and health plans or the uninsured portion of partially insured plans for the period ended December 31, 2013.

C. The Company did not have any Medicare or other similarly structured cost based reimbursement contracts for the period ended December 31, 2013.

19. Direct premium written/produced by managing general agents/third party administrators

The Company did not have any material direct premiums written through/produced by managing general agents or third party administrators for the years ended December 31, 2013 and 2012.

20. Fair value measurements

A. and B.

The Company had no material assets or liabilities measured and reported at fair value at December 31, 2013 or 2012.

C. Certain of the Company's financial instruments are measured at fair value in our balance sheets. The fair values of these instruments are based on valuations that include inputs that can be classified within one of three levels of a hierarchy established by GAAP. The following are the levels of the hierarchy and a brief description of the type of valuation information (“inputs”) that qualifies a financial asset or liability for each level:

- **Level 1** – Unadjusted quoted prices for identical assets or liabilities in active markets.
- **Level 2** – Inputs other than Level 1 that are based on observable market data. These include: quoted prices for similar assets in active markets, quoted prices for identical assets in inactive markets, inputs that are observable that are not prices (such as interest rates and credit risks) and inputs that are derived from or corroborated by observable markets.
- **Level 3** – Developed from unobservable data, reflecting our own assumptions.

Financial assets and liabilities are classified based upon the lowest level of input that is significant to the valuation. When quoted prices in active markets for identical assets and liabilities are available, we use these quoted market prices to determine the fair value of financial assets and liabilities and classify these assets and liabilities as Level 1. In other cases where a quoted market price for identical assets and liabilities in an active market is either not available or not observable, we estimate fair value using valuation methodologies based on available and observable market information or by using a matrix pricing model. These financial assets and liabilities would then be classified as Level 2. If quoted market prices are not available, we determine fair value using broker quotes or an internal analysis of each investment’s financial performance and cash flow projections. Thus, financial assets and liabilities may be classified in Level 3 even though there may be some significant inputs that may be observable.

The carrying values and estimated fair values of the Company's financial instruments at December 31, 2013 and 2012 were as follows:

December 31, 2013

(in thousands)	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3	Not practicable (carrying value)
Bonds, short-term investments and cash equivalents	$30,194	$29,511	$17,426	$12,768	-	-
Total	$30,194	$29,511	$17,426	$12,768	-	-

December 31, 2012

(in thousands)	Aggregate fair value	Admitted assets	Level 1	Level 2	Level 3	Not practicable (carrying value)
Bonds, short-term investments and cash equivalents	$25,074	$23,861	$14,478	$10,596	-	-
Total	$25,074	$23,861	$14,478	$10,596	-	-

The valuation methods and assumptions used by the Company in estimating the fair value of debt securities are discussed in Note 1.

There were no material realized and unrealized capital gains, purchases, sales, settlements, or transfers into or out of the Company's Level 3 financial assets during 2013 or 2012.

In evaluating the Company's management of interest rate and liquidity risk and currency exposures, the fair values of all assets and liabilities should be taken into consideration, not only those presented above.

D. The Company did not have any financial instruments where it was not practicable to estimate the fair value.

21. Other items

A. Extraordinary items

The Company did not have any extraordinary items for the years ended December 31, 2013 and 2012.

B. Troubled debt restructuring: debtors

The Company did not have any troubled debt restructuring in the years ended December 31, 2013 and 2012.

C. Other disclosures and unusual items

(1) Minimum capital and surplus

Under the laws of the State of Maine, the Company is required to maintain a minimum capital and surplus equal to the greater of (1) $1,000,000; (2) 2% of the annual premium revenues as reported by the Company on its most recent annual financial statement filed with the Superintendent for the first $150,000,000 of premium reported and 1% of the annual premium in excess of the first $150,000,000 of premium reported; (3) an amount equal to the sum of three months of uncovered health care expenditures as reported on the financial statement covering the Company's immediately preceding fiscal year as filed with the superintendent; or (4) an amount equal to the sum of 8% of the annual health care expenditures, except those paid on a capitated basis as reported on the financial statement covering the Company's immediately preceding fiscal year as filed with the superintendent. At December 31, 2013 and 2012, the Company's capital and surplus exceeded all such requirements.

The NAIC and the State of Maine adopted risk-based capital ("RBC") standards for health organizations, including HMOs, that are designed to identify weakly capitalized companies by comparing each company's adjusted capital and surplus to its required capital and surplus (the "RBC Ratio"). The RBC Ratio is designed to reflect the risk profile of the company. Within certain ratio ranges, regulators have increasing authority to take action as the RBC Ratio decreases. There are four levels of regulatory action, ranging from requiring insurers to submit a comprehensive plan to the state insurance commissioner to requiring the state insurance commissioner to place the insurer under regulatory control. At December 31, 2013 and 2012, the Company had capital and surplus that exceeded the highest threshold specified by the RBC rules.

(2) Health Care Reform

The Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (collectively, "Health Care Reform"), enacted in March 2010, has changed and will continue to make broad-based changes to the U.S. health care system which could significantly affect the U.S. economy and which the Company expects will continue to significantly impact the Company's business operations and financial results, including the Company's pricing or medical benefit ratios and the geographies in which the Company's products are available. Health Care Reform presents the Company with new business opportunities, but also with new financial and regulatory challenges. Since the enactment in 2010, key components of Health Care Reform have been phased in, including required minimum medical loss ratios ("MLRs") in commercial products, enhanced premium rate review and disclosure processes, reduced Medicare Advantage payment rates to insurers, and linking Medicare Advantage payments to a plan's Centers for Medicare & Medicaid Services ("CMS") quality performance ratings or "star ratings." The effects of these changes are reflected in the Company's historical financial results.

While key components of Health Care Reform will continue to be phased in through 2018, the most significant changes during that time will occur in 2014, making 2014 a uniquely challenging year. The components of Health Care Reform that take effect in 2014 include: public health insurance exchanges ("Public Exchanges"), Medicare minimum MLRs, the individual coverage mandate, guaranteed issue, rating limits in the individual and small group markets, and significant new industry-wide fees, assessments and taxes. The Company is dedicating and will continue to be required to dedicate material resources and incur material expenses during 2014 to implement and comply with Health Care Reform as well as state level health care reform. While the Federal government has issued a number of regulations implementing Health Care Reform, many significant parts of Health Care Reform, including aspects of Public Exchanges, Medicaid expansion, employer penalties, enforcement related reporting for the individual and employer mandates, assessments, taxes and fees, reinsurance, risk corridor, risk adjustment and the implementation of Medicare Advantage and Part D minimum MLRs, have not been fully implemented and may require further guidance and clarification at the Federal level and/or in the form of regulations and actions by state legislatures to implement the law. The Federal government also has announced significant changes to and/or delays in effective dates of various aspects of Health Care Reform, and it is likely that further changes will be made at the Federal and/or state level based on implementation experience. As a result, key aspects and impacts of Health Care Reform will not be known for several years, and given the inherent difficulty of foreseeing how individuals and businesses will respond to the choices afforded them by Health Care Reform, the Company cannot predict the full effect Health Care Reform will have on the Company. It is reasonably possible that Health Care Reform, in the aggregate, could have a material adverse effect on the Company's business operations and financial results.

Federal budget negotiations, the technical problems with the Federal health insurance exchange website, ongoing regulatory changes to Health Care Reform, pending efforts in the U.S. Congress to amend or restrict funding for various aspects of Health Care Reform and litigation challenging aspects of the law continue to create uncertainty about the ultimate impact of Health Care Reform. In addition, the Federal and state governments continue to enact and seriously consider many other broad-based legislative and regulatory proposals that have impacted or could materially impact various aspects of the health care system. The Company cannot predict whether pending or future Federal or state legislation or court proceedings will change various aspects of the health care system or Health Care Reform or the impact those changes will have on the Company's business operations or financial results, but the effects could be materially adverse.

In addition, certain provisions of Health Care Reform tie Medicare Advantage plans' premiums to the achievement of favorable CMS quality performance measures ("star ratings"). In 2013 and 2014, Medicare Advantage plans with an overall star rating of three or more stars (out of five stars) are eligible for a quality bonus in their basic premium rates. Beginning in 2015, only Medicare Advantage plans with an overall star rating of four or more stars will be eligible for a quality bonus. As a result, the Company's Medicare Advantage plans' operating results from 2013 forward are likely to be significantly determined by their star ratings.

(3) Medicare

The Company's Medicare Advantage and Standalone Prescription Drug Plan ("PDP") products are regulated by CMS. The regulations and contractual requirements applicable to the Company and other participants in Medicare programs are complex, expensive to comply with and subject to change. The Company has invested significant resources to comply with Medicare standards, and the Company's Medicare compliance efforts will continue to require significant resources. CMS may seek premium refunds, prohibit the Company from continuing to market and/or enroll members in or refuse to passively enroll members in one or more of the Company's Medicare or Medicare-Medicaid demonstration (historically known as "dual eligible") plans, exclude the Company from participating in one or more Medicare or dual eligible programs and/or institute other sanctions against the Company if the Company fails to comply with CMS regulations or the Company's Medicare contractual requirements.

D. The Company did not have any business interruption insurance recoveries for the years ending December 31, 2013 or 2012.

E. The Company did not have any transferable and non-transferable state tax credits for the years ending December 31, 2013 or 2012.

F. The Company did not have any subprime mortgage related risk exposures at December 31, 2013 or 2012.

G. The Company did not have any retained assets at December 31, 2013 or 2012.

H. The Company did not have any offsetting and netting of assets or liabilities at December 31, 2013 or 2012.

I. The Company did not have any joint and several liability arrangements at December 31, 2013 or 2012.

22. Events subsequent

Type I - Recognized subsequent events

Subsequent events have been considered through February 25, 2014 for the statutory statement issued on March 1, 2014.

The Company had no known reportable recognized subsequent events.

Type II - Nonrecognized subsequent events

Subsequent events have been considered through February 25, 2014 for the statutory statement issued on March 1, 2014.

On January 1, 2014, the Company will be subject to an annual fee under section 9010 of the 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, 2014. As of December 31, 2013, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2014, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2014 to be $1,470,000. This assessment is expected to impact RBC by 39%.

A.	ACA fee assessment payable	$1,470,000
B.	Assessment expected to impact RBC	39%

23. Reinsurance

The Company did not have any reinsurance recoverables in dispute, reinsurance assumed, uncollectible reinsurance, commutation of ceded reinsurance, or retroactive reinsurance at December 31, 2013 or 2012.

24. Retrospectively rated contracts and contracts subject to redetermination

Through annual contracts with CMS, the Company offers HMO plans for Medicare-eligible individuals through the Medicare Advantage program. Members typically receive enhanced benefits over standard Medicare fee-for-service coverage, including reduced cost-sharing for preventative care, vision and other non-Medicare services. Members also typically receive coverage for certain prescription drugs, usually subject to a deductible, co-insurance and/or co-payment. The revenues ultimately received by the Company for each member are based on that member's health status and demographic characteristics, as determined via the CMS risk adjustment process, under which the Company regularly submits risk adjustment data to CMS. As such, at December 31, 2013 the Company records a receivable for future revenues that it expects to receive from CMS in the 3rd quarter of 2014, after the final reconciliation of risk adjustment data for contract year 2013 is complete. The Company estimates this receivable by taking into account risk adjustment data for contract year 2013 submitted to CMS prior to December 31, 2013, as well as its estimate of the impact of risk adjustment data for contract year 2013 that will be submitted prior to the appropriate regulatory deadline in early 2014. These amounts are recognized in 2013 as premiums under contracts subject to redetermination. In addition, the Company's Medicare Advantage contracts are subject to retrospective rating provisions under which the Company and CMS share in amounts above and below agreed-upon target medical benefit ratios. These accrued retrospective premiums, if any, are recorded through premiums and are estimated based on calculations that compare the Company's expected financial results for the contract against the appropriate medical benefit ratio target. The Company had net premiums written of $41,342,928 and $31,268,444 related to its agreements with CMS for the years ending December 31, 2013 and 2012, respectively, representing 42% for 2013 and 34% for 2012 of total premium revenue. The Company had net premiums receivable of $2,130,173 and $1,481,238 related to its agreements with CMS as of December 31, 2013 and 2012, respectively, representing 76% in 2013 and 82% in 2012 of total premiums receivable.

Medical loss ratio rebates required pursuant to the Public Health Service Act

The Company is required to make premium rebate payments to customers that are enrolled under certain health insurance policies if specific minimum annual MLR are not met in the prior year. The Company's results for full-year 2013 and 2012 included an estimate of $405 and $111,148, respectively, of minimum MLR rebates, which were included in aggregate health policy reserves in the Statutory Statements of Liabilities, Capital and Surplus.

	Individual	Small group employer	Large group employer	Other categories with rebates	Total
Prior reporting year					
(1) Medical loss ratio rebates incurred	-	$(39)	$110,513	-	$110,474
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	$111,148	-	$111,148
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$111,148
Current reporting year-to-date					
(1) Medical loss ratio rebates incurred	-	-	$(110,743)	-	$(110,743)
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	$405	-	$405
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$405

Contracts subject to redetermination

The Company does not have contracts subject to redetermination.

25. Change in incurred claims and claims adjustment expense

The following table shows the components of the change in claims unpaid, unpaid claims adjustment expense and aggregate health claim reserves for the years ending December 31, 2013 and 2012.

(in thousands)	2013	2012
Balance, January 1	$7,876	$6,744
Health care receivable	(140)	(98)
Balance, January 1, net of health care receivable	7,736	6,646
Incurred related to:		
Current year	86,386	75,848
Prior years	486	(975)
Total incurred	86,872	74,873
Paid related to:		
Current year	77,380	68,283
Prior years	7,765	5,500
Total paid	85,145	73,783
Balance, December 31, net of health care receivable	9,463	7,736
Health care receivable	103	140
Balance, December 31	$9,566	$7,876

In 2013, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years increased by approximately $0.5 million from approximately $7.9 million in 2012 to approximately $8.4 million in 2013. In 2012, reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years decreased by approximately $.9 million from approximately $6.7 million in 2011 to approximately $5.8 million in 2012. The higher than anticipated health care cost trend rates observed in 2013 for claims incurred in 2012 were due to higher than expected claim intensity and slower than expected claim payment speed. The lower than anticipated health care cost trend rates observed in 2012 for claims incurred in 2011 were due to moderating outpatient and physician trends and faster than expected claim payment speed. The Company considers historical trend rates together with knowledge of recent events that may impact current trends when developing estimates of current trend rates. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Historical health care cost trend rates are not necessarily representative of current trends. The Company experienced approximately $6 thousand of favorable prior year claim development on retrospectively rated policies, which is included in the 2013 increase. However, the business to which it relates is subject to premium adjustments. The Company excluded the impact of the change in health care receivables related to pharmacy rebates from the above roll-forward to conform to NAIC Annual Statement presentation.

Net coordination of benefits are implicit in the claims incurred but not reported calculation and could not be specifically identified.

26. Intercompany pooling arrangements

The Company did not have any intercompany pooling arrangements at December 31, 2013 or 2012.

27. Structured settlements

Not applicable to health entities.

28. Health care receivables

A. Pharmaceutical rebate receivables

The Company receives pharmaceutical rebates through an agreement with AHM. AHM has contractual agreements with pharmaceutical companies for rebates, which cover the Company's membership as well as the membership of other Aetna affiliates. The Company receives those rebates from AHM that relate to the Company's membership. The Company estimates pharmaceutical rebate receivables based upon the historical payment trends, actual utilization and other variables. Actual rebates collected are applied to the collection periods below, using a first in, first out methodology. At December 31, 2013 and 2012, the Company had pharmaceutical rebate receivables of $102,868 and $140,336 respectively (refer to the Company's accounting practices related to pharmaceutical rebate receivables in Note 1).

The following table discloses the quarterly revenue and subsequent cash collections relating to the pharmaceutical rebates discussed in Note 10.

Quarter	Estimated pharmacy rebates as reported on financial statements	Pharmacy rebates as invoiced/ confirmed	Actual rebates collected within 90 days of invoicing/ confirmation	Actual rebates collected within 91 to 180 days of invoicing/ confirmation	Actual rebates collected more than 180 days after invoicing/ confirmation
12/31/2013	$525,902	-	$423,034 [1]	-	-
9/30/2013	$540,484	$493,832	$493,832	-	-
6/30/2013	$458,872	$436,772	$436,772	-	-
3/31/2013	$373,128	$374,181	$374,181	-	-
12/31/2012	$364,139	$345,881	$345,881	-	-
9/30/2012	$332,637	$354,560	$354,560	-	-
6/30/2012	$345,731	$353,333	$353,333	-	-
3/31/2012	$347,812	$348,111	$348,111	-	-
12/31/2011	$292,424	$269,430	$269,430	-	-
9/30/2011	$265,644	$276,708	$276,708	-	-
6/30/2011	$268,572	$272,543	$272,543	-	-
3/31/2011	$247,576	$265,893	$265,893	-	-

[1] Represents a portion of the estimated rebates for the quarter ending December 31, 2013, which were paid by AHM to the Company prior to December 31, 2013 and invoicing in 2014.

B. Risk sharing receivables

The Company did not have any admitted risk sharing receivables at December 31, 2013 or 2012.

29. Participating policies

The Company did not have any participating policies at December 31, 2013 or 2012.

30. Premium deficiency reserves

	December 31, 2013
1. Liability carried for premium deficiency reserves	$2,119,593
2. Date of the most recent evaluation of this liability	12/31/2013
3. Was anticipated investment income utilized in the calculation?	Yes

31. Anticipated salvage and subrogation

See discussion of hospital and medical costs and claims adjustment expenses and related reserves in Note 1.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]

If yes, complete Schedule Y, Parts 1, 1A and 2.

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

1.3 State regulating? Maine

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: N/A

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2010

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. 12/31/2010

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). 03/01/2012

3.4 By what department or departments?
Maine Bureau of Insurance

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

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

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

4.11 sales of new business? Yes [ ] No [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 Co. Code	3 State of Domicile
N/A		

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:
N/A

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

7.2 If yes,

7.21 State the percentage of foreign control ....0.000 %

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

1 Nationality	2 Type of Entity
N/A	

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.
N/A

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
N/A					

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main Street, Hartford, CT 06103

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

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

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 answer to 10.5 is no or n/a, please explain.
N/A

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?
William R. Jones, Valuation Actuary, 151 Farmington Avenue, RE2R; Hartford, CT 06156

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

12.11 Name of real estate holding company
N/A

12.12 Number of parcels involved 0

12.13 Total book/adjusted carrying value $......................................0

12.2 If yes, provide explanation.
N/A

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?
N/A

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

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

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

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

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

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

c. Compliance with applicable governmental laws, rules and regulations;

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

e. Accountability for adherence to the code.

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

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

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

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

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

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

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

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

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

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

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

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

PART 1 - COMMON INTERROGATORIES - FINANCIAL

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

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

20.11 To directors or other officers $......................................0

20.12 To stockholders not officers $......................................0

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

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

20.21 To directors or other officers $......................................0

20.22 To stockholders not officers $......................................0

20.23 Trustees, supreme or grand (Fraternal only) $......................................0

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

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

21.21 Rented from others $......................................0

21.22 Borrowed from others $......................................0

21.23 Leased from others $......................................0

21.24 Other $......................................0

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

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $............................738,253

22.22 Amount paid as expenses $.............................21,062

22.23 Other amounts paid $......................................0

PART 1 - COMMON INTERROGATORIES - FINANCIAL

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

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

PART 1 - COMMON INTERROGATORIES - INVESTMENT

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

24.02 If no, give full and complete information relating thereto.
N/A

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).
See Notes to Financial Statement - Note 17, Sale, transfer and servicing of financial assets and extinguishments of liabilities.

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 [X] 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 [X] No [ ] N/A [ ]

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

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 [X] No [ ] N/A [ ]

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 [X] No [ ]

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

25.21 Subject to repurchase agreements $................................0
25.22 Subject to reverse repurchase agreements $................................0
25.23 Subject to dollar repurchase agreements $................................0
25.24 Subject to reverse dollar repurchase agreements $................................0
25.25 Pledged as collateral $................................0
25.26 Placed under option agreements $................................0
25.27 Letter stock or securities restricted as to sale $................................0
25.28 On deposit with state or other regulatory body $....................403,894
25.29 Other $................................0

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount
N/A		

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
State Street Bank and Trust Company	State Street Financial Center, One Lincoln Street; Boston, MA 02111-2900

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)
All agreements comply.		

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
N/A			

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

1 Central Registration Depository Number(s)	2 Name	3 Address
	N/A	

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
	N/A	
29.2999. TOTAL		0

PART 1 - COMMON INTERROGATORIES - INVESTMENT

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

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

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	29,511,377	30,193,872	682,495
30.2 Preferred stocks			0
30.3 Totals	29,511,377	30,193,872	682,495

30.4 Describe the sources or methods utilized in determining the fair values:
Fair values of long term bonds and preferred stocks are determined based on quoted market prices when available, fair values using valuation methodologies based on available and observable market information or by using matrix pricing. If quoted market prices are not available, we determine fair value using broker quotes or an internal analysis of each investment's financial performance and cash flow projections. Short term investments are carried at amortized cost which approximates fair value. The carrying amount of cash equivalents approximates fair value.

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

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

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

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

32.2 If no, list exceptions:
N/A

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $........................8,504

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
N/A	

34.1 Amount of payments for legal expenses, if any? $....................101,600

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

1 Name	2 Amount Paid
N/A	

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

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

1 Name	2 Amount Paid
N/A	

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only $....................................0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $....................................0

1.31 Reason for excluding

N/A

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	98,180,276	93,333,783
2.2 Premium Denominator	98,180,276	93,333,783
2.3 Premium Ratio (2.1/2.2)	100.0	100.0
2.4 Reserve Numerator	11,547,510	7,941,746
2.5 Reserve Denominator	11,547,510	7,941,746
2.6 Reserve Ratio (2.4/2.5)	100.0	100.0

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

3.2 If yes, give particulars:

N/A

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [X]

5.1 Does the reporting entity have stop-loss reinsurance? Yes [ ] No [X]

5.2 If no, explain:

The Company does not have stop loss reinsurance.

5.3 Maximum retained risk (see instructions):

5.31 Comprehensive medical $....................................0

5.32 Medical only $....................................0

5.33 Medicare supplement $....................................0

5.34 Dental and vision $....................................0

5.35 Other limited benefit plan $....................................0

5.36 Other $....................................0

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

Provider contracts contain hold harmless and continuity of coverage provisions. In addition, the HMO maintains an insolvency protection agreement with an affiliate of the HMO.

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:

N/A

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 9,010

8.2 Number of providers at end of reporting year 9,415

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 [X] No [ ]

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

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

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 [X] No [ ]

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

11.2. Is the reporting entity subject to Minimum Net Worth Requirements? Yes [X] No [ ]

11.3. If yes, show the name of the state requiring such net worth. Maine

11.4. If yes, show the amount required. $.......................7,599,128

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:
See Notes to Financial Statement - Note 21, Other Items, C., Other Disclosures.

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

1 Name of Service Area
Androscroggin, Aroostook, Cumberland, Franklin,
Hancock, Kennebec, Knox, Lincoln, Oxford,
Penobscot, Piscataquis, Sagadahoc, Somerset,
Waldo, Washington, York

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

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

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

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

FIVE-YEAR HISTORICAL DATA

	1 2013	2 2012	3 2011	4 2010	5 2009
Balance Sheet Items (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	34,153,288	27,596,455	19,390,490	24,212,983	32,393,774
2. Total liabilities (Page 3, Line 24)	20,244,901	12,778,429	8,018,560	9,281,884	13,017,637
3. Statutory surplus	7,599,128	6,619,174	5,396,938	6,481,336	9,809,740
4. Total capital and surplus (Page 3, Line 33)	13,908,387	14,818,026	11,371,930	14,931,099	19,376,137
Income Statement Items (Page 4)					
5. Total revenues (Line 8)	98,278,951	93,218,609	72,745,680	81,739,190	133,206,172
6. Total medical and hospital expenses (Line 18)	84,450,948	72,938,453	57,235,391	70,282,434	114,050,176
7. Claims adjustment expenses (Line 20)	2,421,320	1,934,059	1,561,096	1,693,002	2,281,004
8. Total administrative expenses (Line 21)	11,010,883	8,921,462	7,197,621	7,564,018	13,720,915
9. Net underwriting gain (loss) (Line 24)	(1,640,483)	9,500,331	6,628,684	2,861,464	3,029,453
10. Net investment gain (loss) (Line 27)	(150,793)	612,022	749,439	1,495,512	1,164,311
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	(1,365,571)	7,423,060	5,633,956	4,152,361	3,891,959
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	2,794,884	7,536,528	4,967,206	(670,004)	5,426,730
Risk-Based Capital Analysis					
14. Total adjusted capital	13,908,387	14,818,026	11,371,930	14,931,099	19,376,137
15. Authorized control level risk-based capital	3,799,564	3,309,587	2,698,469	3,240,668	4,904,870
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	19,302	17,072	12,265	12,236	23,206
17. Total member months (Column 6, Line 7)	210,993	185,746	143,015	167,516	305,313
Operating Percentage (Page 4) **(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100 .0**					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Line 18 plus Line 19)	85.9	78.2	78.7	86.0	85.6
20. Cost containment expenses	1.7	1.3	1.4	1.4	0.6
21. Other claims adjustment expenses	0.8	0.7	0.7	0.7	1.1
22. Total underwriting deductions (Line 23)	101.7	89.8	90.9	96.5	97.7
23. Total underwriting gain (loss) (Line 24)	(1.7)	10.2	9.1	3.5	2.3
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13 Col. 5)	7,994,819	5,526,364	5,769,933	9,294,190	12,513,844
25. Estimated liability of unpaid claims - [prior year (Line 13, Col. 6)]	7,588,075	6,539,214	7,555,655	11,048,792	12,907,536
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch D. Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch D. Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA, Verification, Column 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above	0	0	0	0	0

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

If no, please explain:

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	1	Direct Business Only							
		2	3	4	5	6	7	8	9
State, Etc.	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums and Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama AL	N	0	0	0	0	0	0	0	0
2. Alaska AK	N	0	0	0	0	0	0	0	0
3. Arizona AZ	N	0	0	0	0	0	0	0	0
4. Arkansas AR	N	0	0	0	0	0	0	0	0
5. California CA	N	0	0	0	0	0	0	0	0
6. Colorado CO	N	0	0	0	0	0	0	0	0
7. Connecticut CT	N	0	0	0	0	0	0	0	0
8. Delaware DE	N	0	0	0	0	0	0	0	0
9. District of Columbia DC	N	0	0	0	0	0	0	0	0
10. Florida FL	N	0	0	0	0	0	0	0	0
11. Georgia GA	N	0	0	0	0	0	0	0	0
12. Hawaii HI	N	0	0	0	0	0	0	0	0
13. Idaho ID	N	0	0	0	0	0	0	0	0
14. Illinois IL	N	0	0	0	0	0	0	0	0
15. Indiana IN	N	0	0	0	0	0	0	0	0
16. Iowa IA	N	0	0	0	0	0	0	0	0
17. Kansas KS	N	0	0	0	0	0	0	0	0
18. Kentucky KY	N	0	0	0	0	0	0	0	0
19. Louisiana LA	N	0	0	0	0	0	0	0	0
20. Maine ME	L	56,837,348	41,342,928	0	0	0	0	98,180,276	0
21. Maryland MD	N	0	0	0	0	0	0	0	0
22. Massachusetts MA	N	0	0	0	0	0	0	0	0
23. Michigan MI	N	0	0	0	0	0	0	0	0
24. Minnesota MN	N	0	0	0	0	0	0	0	0
25. Mississippi MS	N	0	0	0	0	0	0	0	0
26. Missouri MO	N	0	0	0	0	0	0	0	0
27. Montana MT	N	0	0	0	0	0	0	0	0
28. Nebraska NE	N	0	0	0	0	0	0	0	0
29. Nevada NV	N	0	0	0	0	0	0	0	0
30. New Hampshire NH	N	0	0	0	0	0	0	0	0
31. New Jersey NJ	N	0	0	0	0	0	0	0	0
32. New Mexico NM	N	0	0	0	0	0	0	0	0
33. New York NY	N	0	0	0	0	0	0	0	0
34. North Carolina NC	N	0	0	0	0	0	0	0	0
35. North Dakota ND	N	0	0	0	0	0	0	0	0
36. Ohio OH	N	0	0	0	0	0	0	0	0
37. Oklahoma OK	N	0	0	0	0	0	0	0	0
38. Oregon OR	N	0	0	0	0	0	0	0	0
39. Pennsylvania PA	N	0	0	0	0	0	0	0	0
40. Rhode Island RI	N	0	0	0	0	0	0	0	0
41. South Carolina SC	N	0	0	0	0	0	0	0	0
42. South Dakota SD	N	0	0	0	0	0	0	0	0
43. Tennessee TN	N	0	0	0	0	0	0	0	0
44. Texas TX	N	0	0	0	0	0	0	0	0
45. Utah UT	N	0	0	0	0	0	0	0	0
46. Vermont VT	N	0	0	0	0	0	0	0	0
47. Virginia VA	N	0	0	0	0	0	0	0	0
48. Washington WA	N	0	0	0	0	0	0	0	0
49. West Virginia WV	N	0	0	0	0	0	0	0	0
50. Wisconsin WI	N	0	0	0	0	0	0	0	0
51. Wyoming WY	N	0	0	0	0	0	0	0	0
52. American Samoa AS	N	0	0	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico PR	N	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	0
57. Canada CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other alien OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	56,837,348	41,342,928	0	0	0	0	98,180,276	0
60. Reporting entity contributions for Employee Benefit Plans	XXX	0	0	0	0	0	0	0	0
61. Total (Direct Business)	(a) 1	56,837,348	41,342,928	0	0	0	0	98,180,276	0

DETAILS OF WRITE-INS

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

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

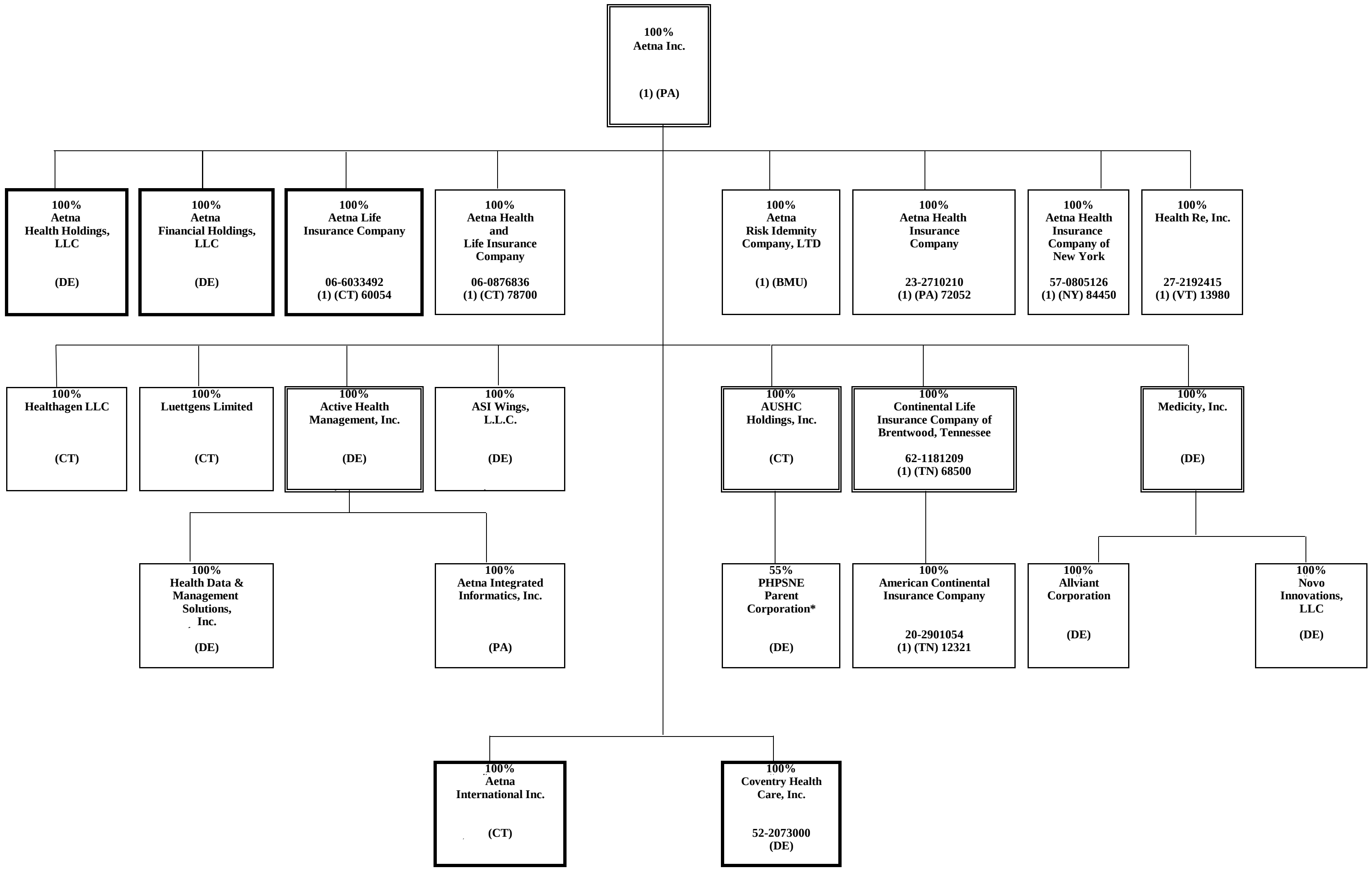
Explanation of basis of allocation by states, premiums by state, etc.

All premiums written within the State of Maine.

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

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART



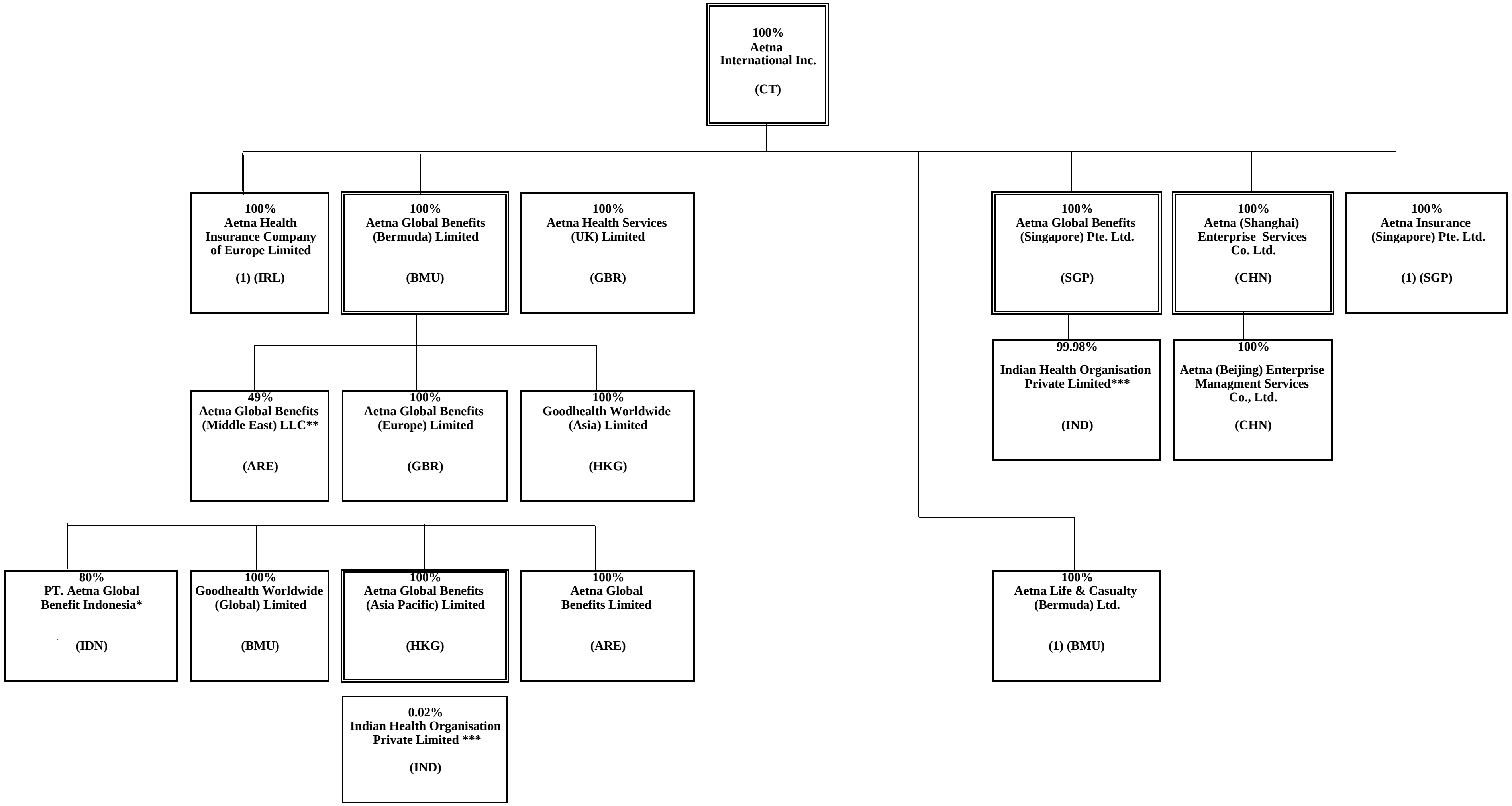
(1) Insurers/HMO's
Percentages are rounded to the nearest whole percent and based on ownership of voting rights.
Double borders indicate entity has subsidiaries shown on the same page.
Bold borders indicate entity has subsidiaries shown on a separate page.

*55% is owned by AUSHC Holdings, Inc. and 45% is owned by third parties.

Statement as of December 31, 2013 of the **Aetna Health Inc. (a Maine corporation)**

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

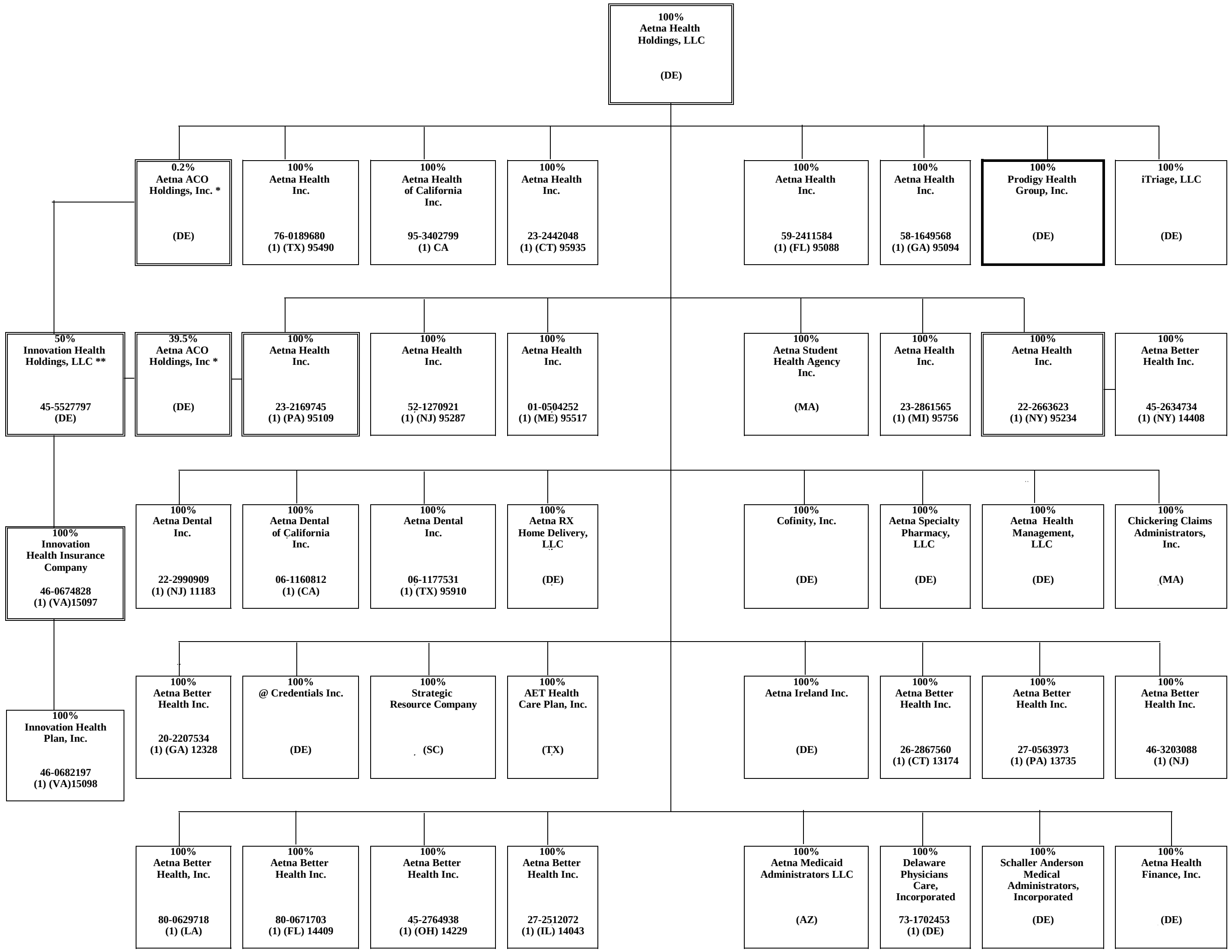
PART 1- ORGANIZATIONAL CHART



*Aetna Global Benefits (Bermuda) Limited owns 80% and 20% is owned by Suhatsyah Rivai, Aetna's Nominee.
** Aetna Global Benefits (Bermuda) Limited owns 49% and 51% is owned by Euro Gulf LLC, Aetna's Nominee.
*** Aetna Global Benefits (Asia Pacific) Limited owns 0.019857% of Indian Health Organization Private Limited and Aetna Global Benefits (Singapore) Pte. Ltd. owns 99.980143%.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

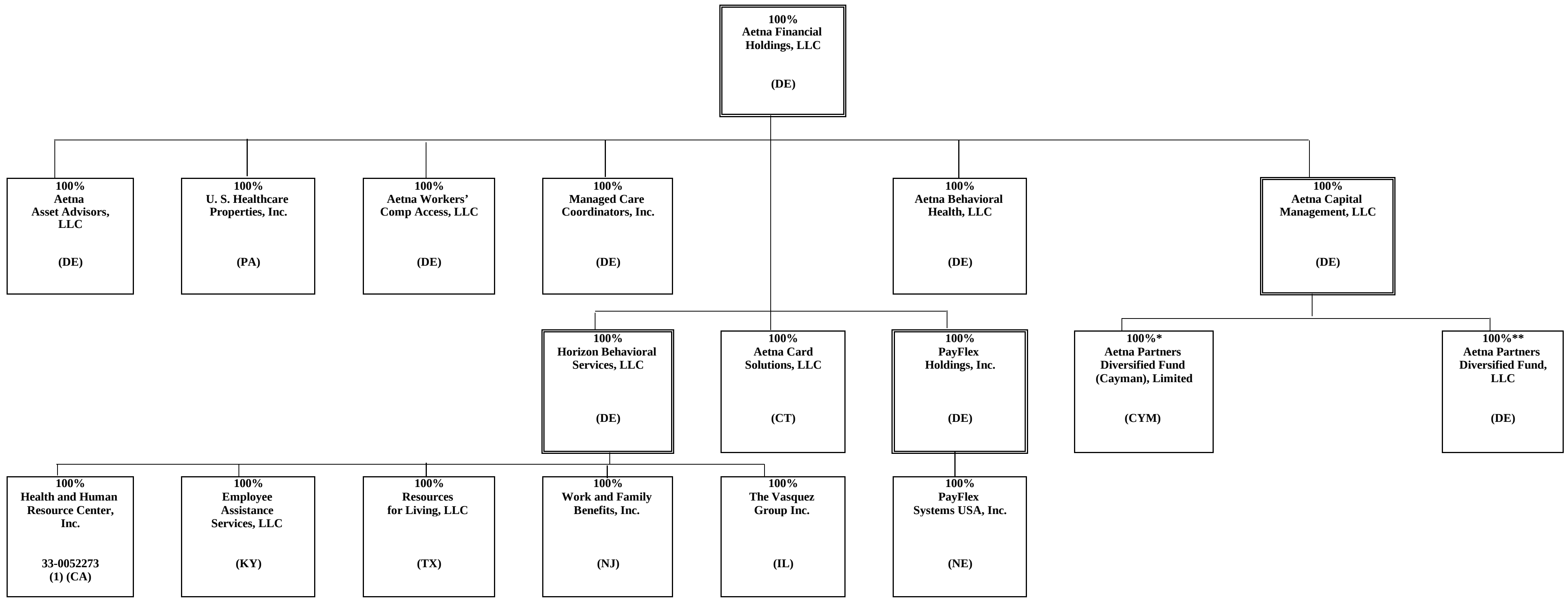
PART 1- ORGANIZATIONAL CHART



* Aetna Life Insurance Company owns 302 shares, Aetna Health Inc. (PA) owns 198 shares and Aetna Health Holdings, LLC owns 1 share.
** Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

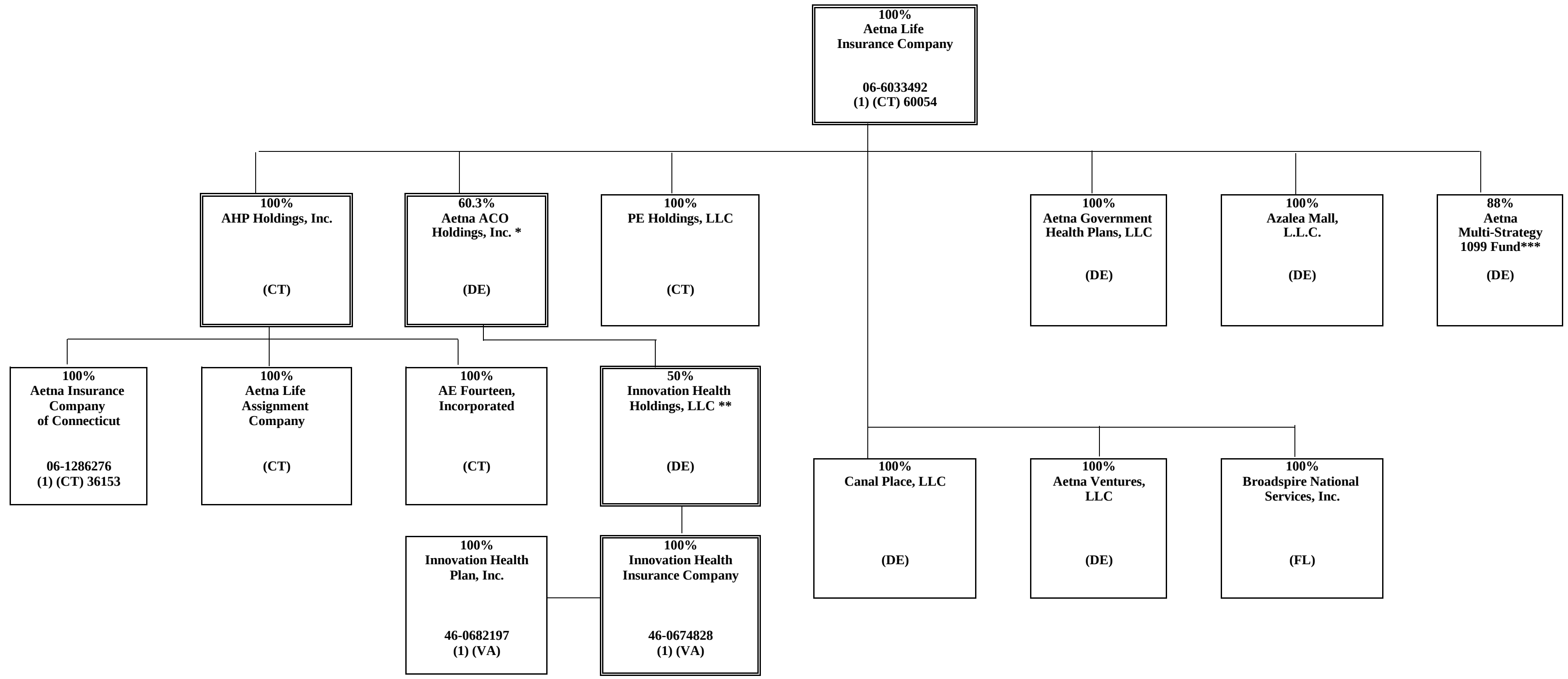
PART 1- ORGANIZATIONAL CHART



* Aetna Life Insurance Company owns the Class C participating shares of Aetna Partners Diversified Fund (Cayman), Limited.
** Aetna Life Insurance Company and Aetna Health and Life Insurance Company own substantially all of the non-managing member interests of Aetna Partners Diversified Fund, LLC.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

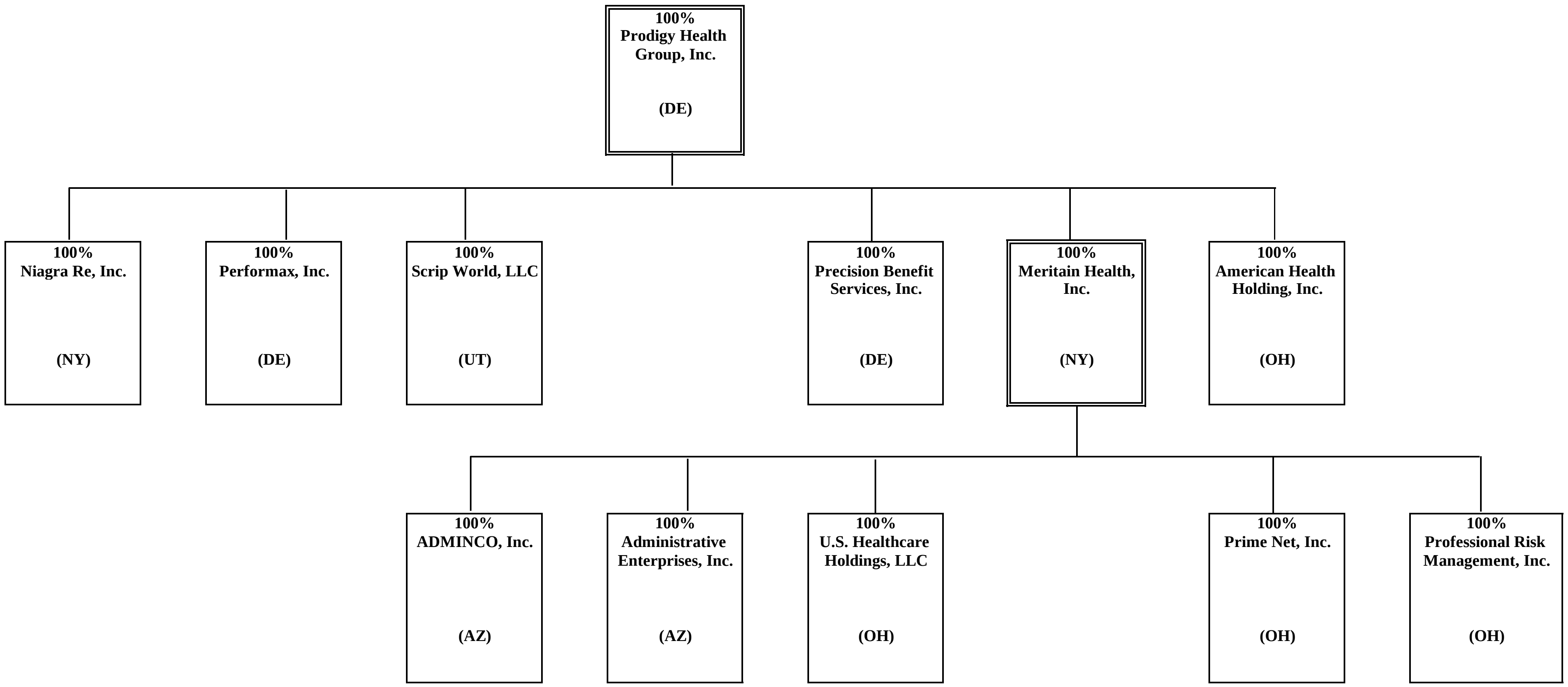
PART 1- ORGANIZATIONAL CHART



* Aetna Life Insurance Company owns 302 shares, Aetna Health Inc. (PA) owns 198 shares and Aetna Health Holdings, LLC owns 1 share.
** Innovation Health Holdings, LLC is 50% owned by Aetna ACO Holdings, Inc. and 50% owned by Inova Health System Foundation, an unaffiliated company.
***88% is invested and owned by Aetna Life Insurance Company and 12% is invested and owned by external accredited investors.

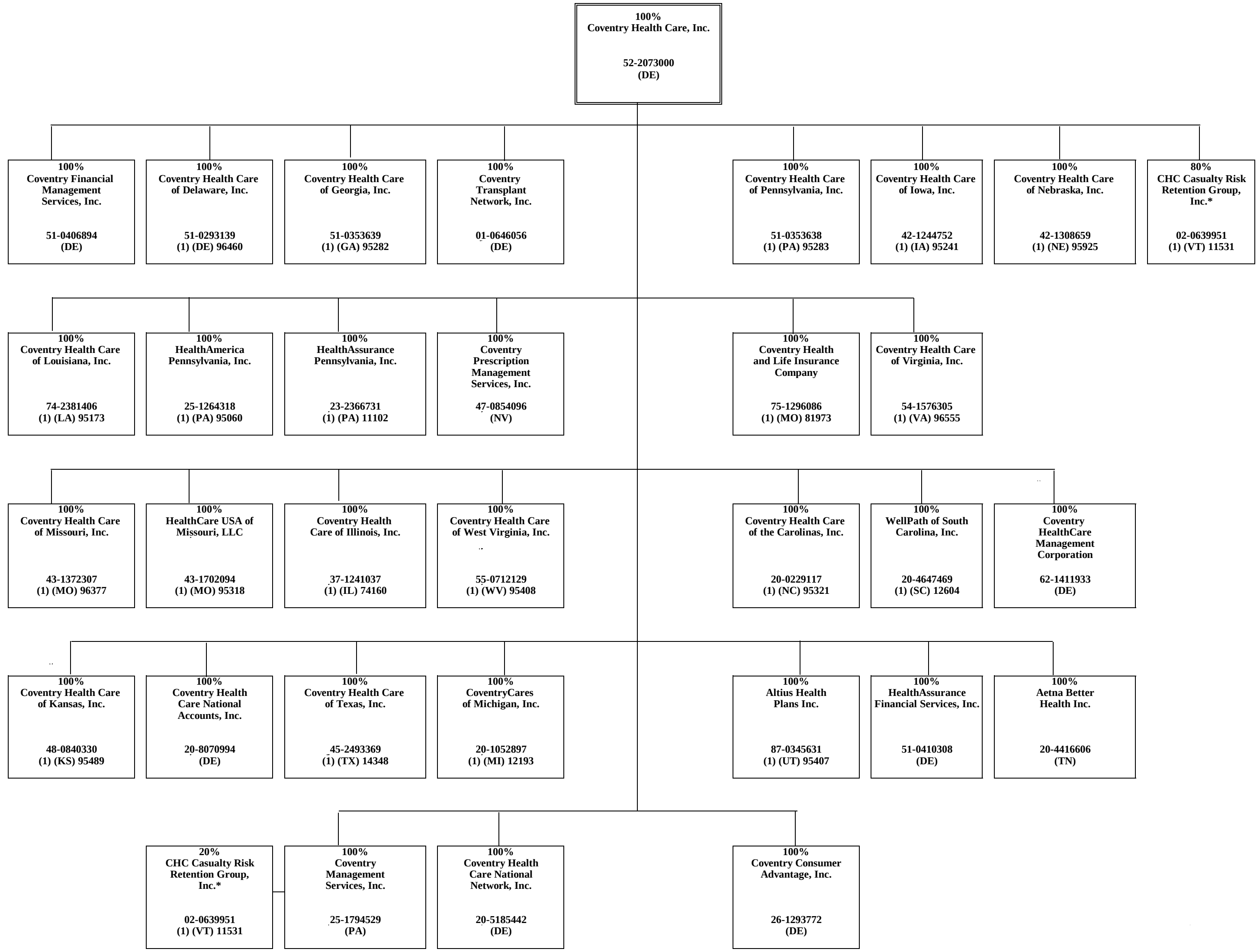
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART

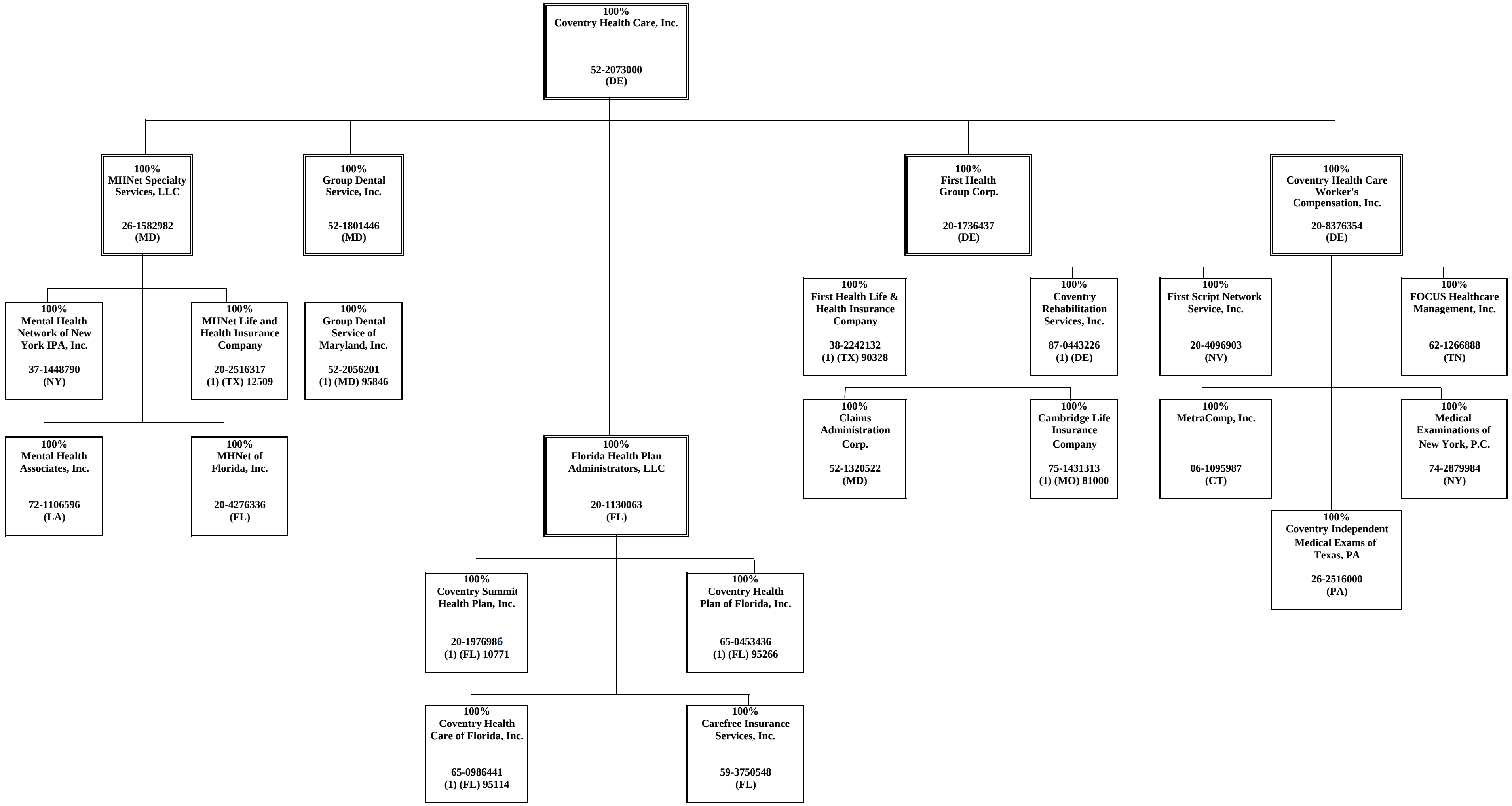


* CHC Casualty Risk Retention Group, Inc. is 20% owned by Coventry Management Services, Inc. and 80% owned by Coventry Health Care, Inc.

Statement as of December 31, 2013 of the **Aetna Health Inc. (a Maine corporation)**

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURANCE MEMBERS OF A HOLDING COMPANY GROUP

PART 1- ORGANIZATIONAL CHART



2013 ALPHABETICAL INDEX
HEALTH ANNUAL STATEMENT BLANK