



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2021
 OF THE CONDITION AND AFFAIRS OF THE

Horizon Healthcare Services, Inc.

(Name)

NAIC Group Code 1202 , 1202 NAIC Company Code 55069 Employer's ID Number 22-0999690
(Current Period) (Prior Period)

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

Country of Domicile United States

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

Incorporated/Organized 12/07/1932 Commenced Business 12/07/1932

Statutory Home Office 3 Penn Plaaz East Ste PP-15D , Newark, NJ, US 07105-2248
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 3 Penn Plaza East Ste PP-15D
(Street and Number)
Newark, NJ, US 07105-2248 973-466-5954
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 3 Penn Plaaz East Ste PP-15D , Newark, NJ, US 07105-2248
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 3 Penn Plaza East Ste PP-15D
(Street and Number)
Newark, NJ, US 07105-2248 973-466-5954
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Web Site Address www.horizonblue.com

Statutory Statement Contact Catherine Merlino , 973-466-5954
(Name) (Area Code) (Telephone Number) (Extension)
catherine_merlino@horizonblue.com 973-466-7110
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
<u>Gary Dean St. Hilaire</u>	<u>CEO & President</u>	<u>Linda Anne Willett</u>	<u>EVP, General Counsel & Secretary</u>
<u>Douglas Richard Simpson</u>	<u>EVP, CFO</u>		

OTHER OFFICERS

<u>Patrick Shawn Aylward #</u>	<u>SVP and Chief of Staff</u>	<u>Mark Leon Barnard</u>	<u>EVP, Government Programs & Operations</u>
<u>Nicholas Loukas Coussoule #</u>	<u>SVP Enterprise Business & Technology Solutions</u>	<u>William Delano Georges</u>	<u>SVP and Chief Strategy Officer</u>
<u>Allen James Karp</u>	<u>EVP, Healthcare Management and Transformation</u>	<u>Steven John Krupinski #</u>	<u>SVP & Chief Human Resources Officer</u>
<u>Christopher Michael Lepre</u>	<u>EVP, Commercial</u>	<u>Timothy Scott Susanin #</u>	<u>SVP, Audit, Risk and Compliance</u>

DIRECTORS OR TRUSTEES

<u>John Joyce Ballantyne</u>	<u>Todd Curtis Brown</u>	<u>Leonard Smith Coleman</u>	<u>Laurence Michael Downes</u>
<u>Leonard Gary Feld MD</u>	<u>Michelle Ann Gourdine MD</u>	<u>Gary Dean St. Hilaire</u>	<u>Paul Albert Juliano</u>
<u>Brian Michael Kinkead</u>	<u>Joseph Mansour Kyrillos</u>	<u>Carlos Arturo Medina</u>	<u>Joseph Manuel Muniz</u>
<u>Joanne Pace</u>	<u>Joseph James Roberts</u>		

State of New Jersey

ss

County of Essex

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

Nicholas Herbert Peterson
 VP, Corporate, Regulatory & Privacy & Corp. Sec.

Douglas Richard Simpson
 EVP, CFO

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

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

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	2,952,669,306	0	2,952,669,306	2,827,956,206
2. Stocks (Schedule D):				
2.1 Preferred stocks	1,773,950	0	1,773,950	4,459,152
2.2 Common stocks	1,924,902,238	0	1,924,902,238	1,803,033,865
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 \$ encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$ encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$ encumbrances)	0	0	0	0
5. Cash (\$(365,788,862) , Schedule E-Part 1), cash equivalents (\$69,996,049 , Schedule E-Part 2) and short-term investments (\$14,148,571 , Schedule DA).....	(281,644,242)	0	(281,644,242)	(193,321,962)
6. Contract loans (including \$ premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA)	46,397,379	0	46,397,379	10,175,585
9. Receivables for securities	7,040,523	0	7,040,523	9,883,935
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)	4,651,139,154	0	4,651,139,154	4,462,186,780
13. Title plants less \$ charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued	16,581,392	0	16,581,392	17,013,779
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	240,342,445	3,339,909	237,002,536	219,568,458
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....	0	0	0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	254,817,324	0	254,817,324	172,000,000
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	26,118,224	0	26,118,224	268,805,950
17. Amounts receivable relating to uninsured plans	445,367,298	12,889,804	432,477,494	435,136,483
18.1 Current federal and foreign income tax recoverable and interest thereon	48,789,202	0	48,789,202	37,755,449
18.2 Net deferred tax asset.....	0	0	0	0
19. Guaranty funds receivable or on deposit	14,596,968	0	14,596,968	25,223,243
20. Electronic data processing equipment and software.....	28,808,112	0	28,808,112	31,305,267
21. Furniture and equipment, including health care delivery assets (\$)	381,101,454	381,101,454	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	430,372,095	0	430,372,095	380,142,985
24. Health care (\$315,826,107) and other amounts receivable.....	529,291,781	57,853,715	471,438,066	427,202,041
25. Aggregate write-ins for other-than-invested assets	344,792,916	241,565,626	103,227,290	116,645,236
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	7,412,118,365	696,750,508	6,715,367,857	6,592,985,671
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27)	7,412,118,365	696,750,508	6,715,367,857	6,592,985,671
DETAILS OF WRITE-INS				
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 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid Expenses.....	237,972,564	237,972,564	0	0
2502. Non-Bankable checks.....	3,593,062	3,593,062	0	0
2503.	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	103,227,290	0	103,227,290	116,645,236
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	344,792,916	241,565,626	103,227,290	116,645,236

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	1,567,174,159	0	1,567,174,159	1,275,840,492
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	10,986,301	0	10,986,301	9,677,807
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	310,411,925	0	310,411,925	448,797,319
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserves	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	103,645,352	0	103,645,352	88,416,324
9. General expenses due or accrued	1,144,424,273	0	1,144,424,273	1,107,912,893
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	0	0	0	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	9,152,990	0	9,152,990	23,941,883
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)	61,045,323	0	61,045,323	71,240,963
15. Amounts due to parent, subsidiaries and affiliates	92,309,338	0	92,309,338	85,514,285
16. Derivatives	0	0	0	0
17. Payable for securities	644,533	0	644,533	7,869,461
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers)	0	0	0	0
20. Reinsurance in unauthorized and certified (\$) 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	9,340,000	0	9,340,000	7,464,000
23. Aggregate write-ins for other liabilities (including \$ current)	272,992,792	0	272,992,792	397,074,824
24. Total liabilities (Lines 1 to 23)	3,582,126,986	0	3,582,126,986	3,523,750,251
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	0	0
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	0	0
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	3,133,240,870	3,069,235,420
31. Unassigned funds (surplus)	XXX	XXX	0	0
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX	0	0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	3,133,240,870	3,069,235,420
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	6,715,367,856	6,592,985,671
DETAILS OF WRITE-INS				
2301. Deposits from other organizations	163,950,158	0	163,950,158	158,734,518
2302. Liability for post-retirement benefits	96,877,002	0	96,877,002	107,575,430
2303. Risk Adjustment Payable	12,165,632	0	12,165,632	130,764,876
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	272,992,792	0	272,992,792	397,074,824
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 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001. Special contingent surplus-Individual contracts	XXX	XXX	1,423,556,657	1,394,479,665
3002. Special contingent surplus-other	XXX	XXX	1,709,684,213	1,674,755,755
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 through 3003 plus 3098) (Line 30 above)	XXX	XXX	3,133,240,870	3,069,235,420

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	15,076,425	14,793,648
2. Net premium income (including \$0 non-health premium income).....	XXX	13,759,688,964	12,272,315,388
3. Change in unearned premium reserves and reserve for rate credits	XXX	3,606,845	3,387,882
4. Fee-for-service (net of \$ 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	13,763,295,809	12,275,703,270
Hospital and Medical:			
9. Hospital/medical benefits	0	4,737,486,405	4,232,819,067
10. Other professional services	0	311,462,339	219,784,575
11. Outside referrals	0	208,947,658	193,286,932
12. Emergency room and out-of-area	0	35,441,617	33,669,485
13. Prescription drugs	0	883,484,178	682,954,418
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....	0	0	0
16. Subtotal (Lines 9 to 15)	0	6,176,822,197	5,362,514,477
Less:			
17. Net reinsurance recoveries	0	(5,968,257,966)	(4,777,698,746)
18. Total hospital and medical (Lines 16 minus 17)	0	12,145,080,163	10,140,213,223
19. Non-health claims (net).....	0	0	0
20. Claims adjustment expenses, including \$233,260,641 cost containment expenses.....	0	342,422,343	375,185,928
21. General administrative expenses.....	0	1,706,418,130	1,625,934,229
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....	0	0	0
23. Total underwriting deductions (Lines 18 through 22)	0	14,193,920,636	12,141,333,380
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(430,624,827)	134,369,890
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	0	108,435,573	86,311,821
26. Net realized capital gains (losses) less capital gains tax of \$12,952,200	0	48,724,944	(15,191,388)
27. Net investment gains (losses) (Lines 25 plus 26)	0	157,160,517	71,120,433
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]	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	(273,464,310)	205,490,323
31. Federal and foreign income taxes incurred	XXX	(48,575,750)	(147,975,206)
32. Net income (loss) (Lines 30 minus 31)	XXX	(224,888,560)	353,465,529
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 through 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 through 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 through 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 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	3,069,235,420	2,732,680,377
34. Net income or (loss) from Line 32	(224,888,560)	353,465,529
35. Change in valuation basis of aggregate policy and claim reserves	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 408,587	68,429,438	96,692,995
37. Change in net unrealized foreign exchange capital gain or (loss)	(5,434,020)	4,314,112
38. Change in net deferred income tax	4,071,084	(123,043,436)
39. Change in nonadmitted assets	212,405,449	8,156,750
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	0
47. Aggregate write-ins for gains or (losses) in surplus	9,422,059	(3,030,907)
48. Net change in capital and surplus (Lines 34 to 47)	64,005,450	336,555,043
49. Capital and surplus end of reporting year (Line 33 plus 48)	3,133,240,870	3,069,235,420
DETAILS OF WRITE-INS		
4701. Adjustment to PY Change in Reserves.....	0	(879,338)
4702. Adjustment to PY Change in Mkt Value of Stocks.....	0	9,038
4703. Change in Pension\OPEB.....	9,422,059	(2,160,607)
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	9,422,059	(3,030,907)

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	13,623,613,344	12,542,150,439
2. Net investment income	115,122,304	91,401,240
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	13,738,735,648	12,633,551,680
5. Benefit and loss related payments	11,936,563,820	9,895,472,396
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	1,752,549,188	2,136,855,126
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(37,541,997)	(253,952,327)
10. Total (Lines 5 through 9)	13,651,571,011	11,778,375,195
11. Net cash from operations (Line 4 minus Line 10)	87,164,637	855,176,485
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,424,147,082	2,091,542,022
12.2 Stocks	172,131,611	93,543,815
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	10,035	(5,827)
12.7 Miscellaneous proceeds	24,282,575	26,658,302
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,620,571,304	2,211,738,311
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,535,554,993	2,674,203,484
13.2 Stocks	151,833,904	117,320,045
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	67,407,466	9,391,612
13.6 Miscellaneous applications	5,575,310	30,110,947
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,760,371,672	2,831,026,088
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(139,800,369)	(619,287,777)
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	(10,195,640)	(9,213,288)
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	(25,490,906)	(188,508,178)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(35,686,546)	(197,721,466)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(88,322,278)	38,167,242
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(193,321,963)	(231,489,205)
19.2 End of year (Line 18 plus Line 19.1)	(281,644,241)	(193,321,963)

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	13,759,688,964	5,196,840,881	213,712,333	146,162,144	0	1,036,848,560	534,597,762	6,541,856,366	89,670,918	0
2. Change in unearned premium reserves and reserve for rate credit	3,606,847	2,697,965	878,147	(171,147)	0	0	1,288,075	(1,086,143)	(50)	0
3. Fee-for-service (net of \$ 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)	13,763,295,811	5,199,538,846	214,590,480	145,990,997	0	1,036,848,560	535,885,837	6,540,770,223	89,670,868	0
8. Hospital/medical benefits	4,737,486,405	3,831,658,655	0	111,304,291	0	727,374,091	0	0	67,149,368	XXX
9. Other professional services	311,462,339	289,595,524	0	0	0	21,866,815	0	0	0	XXX
10. Outside referrals	208,947,658	208,947,658	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	35,441,617	35,441,617	0	0	0	0	0	0	0	XXX
12. Prescription drugs	883,484,178	653,221,610	0	0	0	230,262,568	0	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	0	0	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14)	6,176,822,197	5,018,865,064	0	111,304,291	0	979,503,474	0	0	67,149,368	XXX
16. Net reinsurance recoveries	(5,968,257,966)	264,384,129	(166,100,676)	0	0	0	(481,971,383)	(5,552,180,037)	(32,389,999)	XXX
17. Total hospital and medical (Lines 15 minus 16)	12,145,080,163	4,754,480,935	166,100,676	111,304,291	0	979,503,474	481,971,383	5,552,180,037	99,539,367	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 233,260,641 cost containment expenses	342,422,342	184,743,663	3,607,516	4,145,877	0	10,957,959	14,900,432	123,786,186	280,709	0
20. General administrative expenses	1,706,418,131	920,646,516	17,977,598	20,660,450	0	54,607,591	74,254,405	616,872,692	1,398,879	0
21. Increase in reserves for accident and health contracts	0	0	0	0	0	0	0	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	14,193,920,636	5,859,871,114	187,685,790	136,110,618	0	1,045,069,024	571,126,220	6,292,838,915	101,218,955	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(430,624,825)	(660,332,268)	26,904,690	9,880,379	0	(8,220,464)	(35,240,383)	247,931,308	(11,548,087)	0
DETAILS OF WRITE-INS										
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. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	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. Totals (Lines 0601 through 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. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)	5,220,997,087	15,873,488	40,029,694	5,196,840,881
2. Medicare Supplement .....	.0	213,712,333	.0	213,712,333
3. Dental only.....	146,162,144	.0	.0	146,162,144
4. Vision only.....	.0	.0	.0	.0
5. Federal Employees Health Benefits Plan	1,036,848,560	.0	.0	1,036,848,560
6. Title XVIII - Medicare .....	.0	534,597,762	.0	534,597,762
7. Title XIX - Medicaid.....	.0	6,541,856,366	.0	6,541,856,366
8. Other health.....	62,845,792	26,825,126	.0	89,670,918
9. Health subtotal (Lines 1 through 8)	6,466,853,583	7,332,865,075	40,029,694	13,759,688,964
10. Life .....	.0	.0	.0	.0
11. Property/casualty.....	.0	.0	.0	.0
12. Totals (Lines 9 to 11)	6,466,853,583	7,332,865,075	40,029,694	13,759,688,964

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non- Health
1. Payments during the year:										
1.1 Direct	6,185,866,163	5,049,597,880	0	109,761,291	0	961,590,624	0	0	64,916,368	0
1.2 Reinsurance assumed	5,816,277,064	(261,272,199)	167,597,942	0	0	0	492,702,661	5,385,365,361	31,883,299	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	12,002,143,227	4,788,325,681	167,597,942	109,761,291	0	961,590,624	492,702,661	5,385,365,361	96,799,667	0
2. Paid medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	795,933,106	693,542,720	0	8,280,000	0	83,112,386	0	0	10,998,000	0
3.2 Reinsurance assumed	771,241,053	1,524,550	25,771,107	0	0	0	70,799,520	670,993,976	2,151,900	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	1,567,174,159	695,067,270	25,771,107	8,280,000	0	83,112,386	70,799,520	670,993,976	13,149,900	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0	0	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	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0	0	0	0	0	0	0	0	0	0
6. Net healthcare receivables (a)	148,396,731	148,409,231	0	0	0	(12,500)	0	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	656,580,341	575,866,305	0	6,737,000	0	65,212,036	0	0	8,765,000	0
8.2 Reinsurance assumed	619,260,151	4,636,480	27,268,373	0	0	0	81,530,798	504,179,300	1,645,200	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	1,275,840,492	580,502,785	27,268,373	6,737,000	0	65,212,036	81,530,798	504,179,300	10,410,200	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	6,176,822,197	5,018,865,064	0	111,304,291	0	979,503,474	0	0	67,149,368	0
12.2 Reinsurance assumed	5,968,257,966	(264,384,129)	166,100,676	0	0	0	481,971,383	5,552,180,037	32,389,999	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	12,145,080,163	4,754,480,935	166,100,676	111,304,291	0	979,503,474	481,971,383	5,552,180,037	99,539,367	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	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	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	221,969,326	221,285,997	0	683,329	0	0	0	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	221,969,326	221,285,997	0	683,329	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1. Direct	573,963,780	472,256,723	0	7,596,671	0	83,112,386	0	0	10,998,000	0
2.2. Reinsurance assumed	771,241,053	1,524,550	25,771,107	0	0	0	70,799,520	670,993,976	2,151,900	0
2.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4. Net	1,345,204,833	473,781,273	25,771,107	7,596,671	0	83,112,386	70,799,520	670,993,976	13,149,900	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	795,933,106	693,542,720	0	8,280,000	0	83,112,386	0	0	10,998,000	0
4.2. Reinsurance assumed	771,241,053	1,524,550	25,771,107	0	0	0	70,799,520	670,993,976	2,151,900	0
4.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4. Net	1,567,174,159	695,067,270	25,771,107	8,280,000	0	83,112,386	70,799,520	670,993,976	13,149,900	0

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	577,100,819	4,378,539,342	9,980,706	685,086,564	587,081,525	580,502,784
2. Medicare Supplement	22,574,571	145,023,371	63,561	25,707,546	22,638,132	27,268,373
3. Dental Only.....	5,892,090	103,869,202	92,922	8,187,078	5,985,012	6,737,000
4. Vision Only.....	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	73,200,606	888,504,919	1,033,979	82,078,407	74,234,585	65,212,036
6. Title XVIII - Medicare	22,431,378	470,271,284	1,615,389	69,184,131	24,046,767	81,530,798
7. Title XIX - Medicaid.....	453,774,328	4,931,591,032	26,844,733	644,149,243	480,619,061	504,179,301
8. Other health	10,298,331	86,501,336	0	13,149,900	10,298,331	10,410,200
9. Health subtotal (Lines 1 to 8).....	1,165,272,123	11,004,300,486	39,631,290	1,527,542,869	1,204,903,413	1,275,840,492
10. Healthcare receivables (a).....	(121,655)	315,947,762	0	0	(121,655)	0
11. Other non-health.....	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	0	0	0	0	0	0
13. Totals (Lines 9-10+11+12)	1,165,393,778	10,688,352,724	39,631,290	1,527,542,869	1,205,025,068	1,275,840,492

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	451,273	466,227	468,286	468,735	469,084
2. 2017	4,292,478	4,711,499	4,718,812	4,721,123	4,721,813
3. 2018	XXX	4,161,281	4,529,855	4,542,253	4,544,266
4. 2019	XXX	XXX	3,877,841	4,335,562	4,350,708
5. 2020	XXX	XXX	XXX	3,647,763	4,206,787
6. 2021	XXX	XXX	XXX	XXX	4,062,694

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 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	458,814	469,694	468,504	468,735	469,084
2. 2017	4,733,865	4,727,127	4,722,422	4,721,177	4,721,813
3. 2018	XXX	4,536,418	4,557,888	4,544,702	4,544,297
4. 2019	XXX	XXX	4,306,960	4,372,023	4,351,941
5. 2020	XXX	XXX	XXX	4,189,302	4,232,874
6. 2021	XXX	XXX	XXX	XXX	4,730,410

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017.....	5,532,256	4,721,813	182,736	3.9	4,904,549	88.7	0	0	4,904,549	88.7
2. 2018.....	5,417,636	4,544,266	161,124	3.5	4,705,390	86.9	31	0	4,705,421	86.9
3. 2019.....	5,090,599	4,350,708	192,356	4.4	4,543,064	89.2	1,233	0	4,544,297	89.3
4. 2020.....	5,284,293	4,206,787	194,407	4.6	4,401,194	83.3	26,087	0	4,427,281	83.8
5. 2021.....	5,223,695	4,062,694	200,783	4.9	4,263,477	81.6	667,716	5,237	4,936,430	94.5

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A – Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	17,275	17,717	17,717	17,717	17,717
2. 2017	179,822	201,620	201,628	201,628	201,628
3. 2018	XXX	178,608	197,879	198,136	198,136
4. 2019	XXX	XXX	167,293	188,419	188,890
5. 2020	XXX	XXX	XXX	134,962	157,066
6. 2021	XXX	XXX	XXX	XXX	145,023

Section B - Incurred Health Claims - Medicare Supplement

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 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	17,416	17,718	17,717	17,717	17,717
2. 2017	203,464	201,735	201,631	201,628	201,628
3. 2018	XXX	201,603	197,963	198,136	198,136
4. 2019	XXX	XXX	190,191	188,430	188,890
5. 2020	XXX	XXX	XXX	162,219	157,129
6. 2021	XXX	XXX	XXX	XXX	170,731

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017.....	247,635	201,628	11,254	5.6	212,882	86.0	.0	.0	212,882	86.0
2. 2018.....	240,040	198,136	18,574	9.4	216,710	90.3	.0	.0	216,710	90.3
3. 2019.....	236,760	188,890	23,245	12.3	212,135	89.6	.0	.0	212,135	89.6
4. 2020.....	223,800	157,066	16,727	10.6	173,793	77.7	.63	.0	173,856	77.7
5. 2021.....	214,825	145,023	20,006	13.8	165,029	76.8	25,708	4,826	195,563	91.0

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A – Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	6,746	6,809	6,814	6,814	6,813
2. 2017	93,686	100,306	100,369	100,374	100,373
3. 2018	XXX	89,593	95,762	95,802	95,808
4. 2019	XXX	XXX	93,387	98,571	98,651
5. 2020	XXX	XXX	XXX	76,472	82,279
6. 2021	XXX	XXX	XXX	XXX	103,869

Section B – Incurred Health Claims - Dental Only

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 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	6,813	6,811	6,814	6,814	6,813
2. 2017	100,838	100,368	100,374	100,374	100,373
3. 2018	XXX	96,172	95,824	95,804	95,808
4. 2019	XXX	XXX	99,696	98,624	98,657
5. 2020	XXX	XXX	XXX	83,153	82,365
6. 2021	XXX	XXX	XXX	XXX	112,056

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Dental Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017.....	138,140	100,373	3,588	3.6	103,961	75.3	.0	.0	103,961	75.3
2. 2018.....	133,700	95,808	4,371	4.6	100,179	74.9	.0	.0	100,179	74.9
3. 2019.....	131,371	98,651	4,226	4.3	102,877	78.3	.6	.0	102,883	78.3
4. 2020.....	129,183	82,279	4,178	5.1	86,457	66.9	.87	.0	86,544	67.0
5. 2021.....	145,991	103,869	5,815	5.6	109,684	75.1	8,187	117	117,988	80.8

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior .....	.64,921	.66,203	.66,476	.66,409	.66,454
2. 2017	691,693	755,655	756,988	757,038	757,125
3. 2018	XXX	714,391	782,443	783,777	784,032
4. 2019	XXX	XXX	758,534	815,497	817,418
5. 2020	XXX	XXX	XXX	766,428	837,321
6. 2021	XXX	XXX	XXX	XXX	888,403

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior .....	.65,826	.66,274	.66,487	.66,409	.66,454
2. 2017	759,644	756,908	757,087	757,038	757,125
3. 2018	XXX	785,058	783,542	783,777	784,032
4. 2019	XXX	XXX	823,699	815,984	817,459
5. 2020	XXX	XXX	XXX	831,154	838,315
6. 2021	XXX	XXX	XXX	XXX	970,481

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017.....	809,441	757,125	18,574	2.5	775,699	95.8	.0	.0	775,699	95.8
2. 2018.....	839,967	784,032	23,245	3.0	807,277	96.1	.0	.0	807,277	96.1
3. 2019.....	875,328	817,418	16,727	2.0	834,145	95.3	40	.0	834,185	95.3
4. 2020.....	897,772	837,321	20,006	2.4	857,327	95.5	994	.0	858,321	95.6
5. 2021.....	1,036,848	888,403	11,807	1.3	900,210	86.8	82,078	806	983,094	94.8

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	18,477	18,821	18,821	18,821	18,821
2. 2017	827,720	895,562	896,709	896,709	896,709
3. 2018	XXX	906,522	979,441	981,016	981,016
4. 2019	XXX	XXX	388,455	412,010	412,477
5. 2020	XXX	XXX	XXX	438,601	460,565
6. 2021	XXX	XXX	XXX	XXX	470,271

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	18,572	18,821	18,821	18,821	18,821
2. 2017	908,133	896,868	896,709	896,709	896,709
3. 2018	XXX	1,001,265	980,578	981,016	981,016
4. 2019	XXX	XXX	441,353	413,804	412,477
5. 2020	XXX	XXX	XXX	518,338	462,181
6. 2021	XXX	XXX	XXX	XXX	539,455

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017.....	985,488	896,709	0	0.0	896,709	91.0	0	0	896,709	91.0
2. 2018.....	1,097,259	981,016	0	0.0	981,016	89.4	0	0	981,016	89.4
3. 2019.....	511,043	412,477	0	0.0	412,477	80.7	0	0	412,477	80.7
4. 2020.....	565,599	460,565	0	0.0	460,565	81.4	1,615	0	462,180	81.7
5. 2021.....	535,886	470,271	0	0.0	470,271	87.8	69,184	0	539,455	100.7

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	322,653	322,653	322,653	322,653	322,653
2. 2017	3,267,887	3,631,112	3,631,112	3,631,112	3,631,112
3. 2018	XXX	3,784,734	4,068,221	4,068,221	4,068,221
4. 2019	XXX	XXX	3,860,119	4,197,978	4,197,978
5. 2020	XXX	XXX	XXX	3,819,755	4,273,529
6. 2021	XXX	XXX	XXX	XXX	4,931,591

Section B – Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	330,916	322,653	322,653	322,653	322,653
2. 2017	3,637,153	3,650,263	3,631,112	3,631,112	3,631,112
3. 2018	XXX	4,101,749	4,100,191	4,068,221	4,068,221
4. 2019	XXX	XXX	4,219,311	4,235,127	4,197,978
5. 2020	XXX	XXX	XXX	4,286,785	4,300,374
6. 2021	XXX	XXX	XXX	XXX	5,575,740

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017	4,458,800	3,631,112	73,226	2.0	3,704,338	83.1	0	0	3,704,338	83.1
2. 2018	4,673,356	4,068,221	83,520	2.1	4,151,741	88.8	0	0	4,151,741	88.8
3. 2019	4,638,880	4,197,978	112,910	2.7	4,310,888	92.9	0	0	4,310,888	92.9
4. 2020	5,094,325	4,273,529	111,280	2.6	4,384,809	86.1	26,845	0	4,411,654	86.6
5. 2021	6,542,770	4,931,591	135,159	2.7	5,066,750	77.4	644,149	0	5,710,899	87.3

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	7,470	7,470	7,470	7,470	7,470
2. 2017	41,740	50,119	50,119	50,119	50,119
3. 2018	XXX	38,372	48,628	48,628	48,628
4. 2019	XXX	XXX	43,215	57,315	57,315
5. 2020	XXX	XXX	XXX	54,973	65,271
6. 2021	XXX	XXX	XXX	XXX	86,501

Section B – Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	7,470	7,470	7,470	7,470	7,470
2. 2017	46,636	50,119	50,119	50,119	50,119
3. 2018	XXX	43,677	48,628	48,628	48,628
4. 2019	XXX	XXX	50,746	57,315	57,315
5. 2020	XXX	XXX	XXX	65,383	65,271
6. 2021	XXX	XXX	XXX	XXX	99,651

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017	51,022	50,119	725	1.4	50,844	99.7	0	0	50,844	99.7
2. 2018	54,789	48,628	812	1.7	49,440	90.2	0	0	49,440	90.2
3. 2019	63,570	57,315	824	1.4	58,139	91.5	0	0	58,139	91.5
4. 2020	80,731	65,271	473	0.7	65,744	81.4	0	0	65,744	81.4
5. 2021	89,671	86,501	307	0.4	86,808	96.8	13,150	0	99,958	111.5

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	888,815	905,900	908,237	908,619	909,012
2. 2017	9,395,026	10,345,873	10,355,737	10,358,103	10,358,879
3. 2018	XXX	9,873,501	10,702,229	10,717,833	10,720,107
4. 2019	XXX	XXX	9,188,844	10,105,352	10,123,437
5. 2020	XXX	XXX	XXX	8,938,954	10,082,818
6. 2021	XXX	XXX	XXX	XXX	10,688,352

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 2017	2 2018	3 2019	4 2020	5 2021
1. Prior	905,827	909,441	908,466	908,619	909,012
2. 2017	10,389,733	10,383,388	10,359,454	10,358,157	10,358,879
3. 2018	XXX	10,765,942	10,764,614	10,720,284	10,720,138
4. 2019	XXX	XXX	10,131,956	10,181,307	10,124,717
5. 2020	XXX	XXX	XXX	10,136,334	10,138,509
6. 2021	XXX	XXX	XXX	XXX	12,198,524

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2017	12,222,782	10,358,879	290,103	2.8	10,648,982	87.1	.0	.0	10,648,982	87.1
2. 2018	12,456,747	10,720,107	291,646	2.7	11,011,753	88.4	.31	.0	11,011,784	88.4
3. 2019	11,547,551	10,123,437	350,288	3.5	10,473,725	90.7	1,279	.0	10,475,004	90.7
4. 2020	12,275,703	10,082,818	347,071	3.4	10,429,889	85.0	55,691	.0	10,485,580	85.4
5. 2021	13,789,686	10,688,352	373,877	3.5	11,062,229	80.2	1,510,172	10,986	12,583,387	91.3

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	15,126,580	15,094,888	.0	31,692	.0	.0	.0	.0	.0
2. Additional policy reserves (a).....	.0	.0	.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 \$ for investment income).....	283,341,348	11,930,639	.0	2,152,657	.0	78,620,539	190,637,513	.0	.0
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	298,467,928	27,025,527	.0	2,184,349	.0	78,620,539	190,637,513	.0	.0
7. Reinsurance ceded	(11,943,997)	(80,081)	(8,481,819)	.0	.0	.0	(3)	(3,381,058)	(1,036)
8. Totals (Net) (Page 3, Line 4)	310,411,925	27,105,608	8,481,819	2,184,349	0	78,620,539	190,637,516	3,381,058	1,036
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 .....	.0	.0	.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) .....	.0	.0	.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)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
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 through 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 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$0 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building)	160	93	30,829,374	0	30,829,627
2. Salaries, wages and other benefits	221,646,426	30,348,633	395,489,669	0	647,484,728
3. Commissions (less \$ceded plus \$assumed)	0	112	196,069,808	0	196,069,920
4. Legal fees and expenses	6,750	21,534	12,106,420	0	12,134,704
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	17,226,802	1,008,160	163,122,189	0	181,357,151
7. Traveling expenses	1,224,235	14,785	2,581,455	0	3,820,475
8. Marketing and advertising	28,656	0	15,512,698	0	15,541,354
9. Postage, express and telephone	835,698	93,954	24,350,229	0	25,279,881
10. Printing and office supplies	162,415	115,785	7,831,578	0	8,109,778
11. Occupancy, depreciation and amortization	0	0	121,152,430	0	121,152,430
12. Equipment	0	447	2,682,754	0	2,683,201
13. Cost or depreciation of EDP equipment and software	5,070,738	19,811	105,703,310	0	110,793,859
14. Outsourced services including EDP, claims, and other services	27,101,820	97,365,978	761,207,827	0	885,675,625
15. Boards, bureaus and association fees	(20,429)	154,333	5,879,556	0	6,013,460
16. Insurance, except on real estate	0	0	7,044,704	0	7,044,704
17. Collection and bank service charges	0	0	0	0	0
18. Group service and administration fees	0	0	0	0	0
19. Reimbursements by uninsured plans	(52,956,787)	(24,782,805)	(301,342,876)	0	(379,082,468)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	0	0	0	0	0
22. Real estate taxes	0	0	6,092,999	0	6,092,999
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	450	0	450
23.2 State premium taxes	0	0	68,991,158	0	68,991,158
23.3 Regulatory authority licenses and fees	0	0	0	0	0
23.4 Payroll taxes	12,934,157	1,817,882	22,288,249	0	37,040,288
23.5 Other (excluding federal income and real estate taxes)	0	0	51,990,555	0	51,990,555
24. Investment expenses not included elsewhere	0	0	0	8,694,335	8,694,335
25. Aggregate write-ins for expenses	0	2,983,000	6,833,594	0	9,816,594
26. Total expenses incurred (Lines 1 to 25)	233,260,641	109,161,702	1,706,418,130	8,694,335	(a) 2,057,534,808
27. Less expenses unpaid December 31, current year	0	10,986,301	1,144,424,273	0	1,155,410,574
28. Add expenses unpaid December 31, prior year	0	9,677,807	1,109,678,093	0	1,119,355,900
29. Amounts receivable relating to uninsured plans, prior year	0	0	435,136,483	0	435,136,483
30. Amounts receivable relating to uninsured plans, current year	0	0	432,477,494	0	432,477,494
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	233,260,641	107,853,208	1,669,012,961	8,694,335	2,018,821,145
DETAILS OF WRITE-INS					
2501. Prompt Pay interest	0	0	6,833,594	0	6,833,594
2502. Provision for Claims Processing	0	2,983,000	0	0	2,983,000
2503.	0	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598) (Line 25 above)	0	2,983,000	6,833,594	0	9,816,594

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 8,800,242	8,847,257
1.1 Bonds exempt from U.S. tax	(a) 66,280,120	65,897,937
1.2 Other bonds (unaffiliated)	(a) 0	0
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 117,363	117,363
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	6,985,954	6,974,372
2.21 Common stocks of affiliates	37,000,000	37,000,000
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) 229,485	180,014
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	0	(68,281)
10. Total gross investment income	119,413,164	118,948,662
11. Investment expenses		(g) 8,694,335
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h) 1,818,754
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)		10,513,089
17. Net investment income (Line 10 minus Line 16)		108,435,573
DETAILS OF WRITE-INS		
0901. Interest on behalf of customer deposits	0	559
0902. Interest on behalf of FEP	0	450
0903. Interest on behalf of subs.	0	32,202
0998. Summary of remaining write-ins for Line 9 from overflow page	0	(101,492)
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	(68,281)
1501.		0
1502.		0
1503.		0
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes \$ 4,081,390 accrual of discount less \$ 10,335,782 amortization of premium and less \$ 2,393,776 paid for accrued interest on purchases.
 (b) Includes \$ 489 accrual of discount less \$ 441 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 \$ 12,270 accrual of discount less \$ 89,276 amortization of premium and less \$ 729 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	374,072		374,072		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	18,433,903	(454,683)	17,979,220	(1,319,157)	
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	282,627	29,325	311,952	132,192	(123,532)
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	42,115,498	886,367	43,001,865	16,663,518	(5,310,488)
2.21 Common stocks of affiliates	0	0	0	61,458,352	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	10,035		10,035	0	0
7. Derivative instruments	0		0		
8. Other invested assets	0	0	0	(31,185,672)	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	23,088,722	0
10. Total capital gains (losses)	61,216,135	461,009	61,677,144	68,837,955	(5,434,020)
DETAILS OF WRITE-INS					
0901. Share on HNJIC reflected as part of operating expense			0	20,130,500	
0902. Miscellaneous Adjustment			0	2,958,222	
0903.			0		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	23,088,722	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.0	.0	.0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	.0	.0	.0
2.2 Common stocks .....	.0	23,346,972	23,346,972
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	.0	23,346,972	23,346,972
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.....	3,339,909	4,247,888	907,979
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.0	.0	.0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	.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	12,889,804	15,277,425	2,387,621
18.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0
18.2 Net deferred tax asset.....	.0	.0	.0
19. Guaranty funds receivable or on deposit .....	.0	.0	.0
20. Electronic data processing equipment and software.....	.0	.0	.0
21. Furniture and equipment, including health care delivery assets.....	381,101,454	478,444,962	97,343,508
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.....	57,853,715	115,246	(57,738,469)
25. Aggregate write-ins for other-than-invested assets	241,565,629	387,723,467	146,157,838
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	696,750,511	909,155,960	212,405,449
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	696,750,511	909,155,960	212,405,449
DETAILS OF WRITE-INS			
1101. ....	.0	.0	.0
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 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Expenses.....	237,972,567	386,255,575	148,283,008
2502. Non-Bankable checks.....	3,593,062	1,467,892	(2,125,170)
2503. ....	.0	.0	.0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	241,565,629	387,723,467	146,157,838

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	.0	.0	.0	.0	.0	.0
2. Provider Service Organizations.....	.0	.0	.0	.0	.0	.0
3. Preferred Provider Organizations.....	623,076	653,216	658,331	671,289	666,087	7,926,178
4. Point of Service.....	172,770	169,485	167,022	141,934	141,734	1,867,983
5. Indemnity Only.....	2,828	2,302	2,313	1,841	1,765	24,912
6. Aggregate write-ins for other lines of business.....	398,081	449,323	448,406	427,724	421,640	5,257,352
7. Total	1,196,755	1,274,326	1,276,072	1,242,788	1,231,226	15,076,425
DETAILS OF WRITE-INS						
0601. Dental.....	398,081	449,323	448,406	427,724	421,640	5,257,352
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 through 0603 plus 0698) (Line 6 above)	398,081	449,323	448,406	427,724	421,640	5,257,352

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN**A. Accounting Practices**

The accompanying financial statements of Horizon Healthcare Services, Inc. d/b/a Horizon BCBSNJ (the Company) have been prepared in conformity with the National Association of Insurance Commissioners Annual Statement Instructions and Accounting Practices and Procedures manuals.

The Company prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of New Jersey.

A.

	SSSAP #	F/S Page	F/S Line #	2021	2020
<u>NET INCOME</u>					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	NJ	4	32	\$ (224,889)	\$ 353,466
(2) State Prescribed Practices that increase/(decrease) NAIC SAP				\$ -	\$ -
(3) State Permitted Practices that increase/(decrease) NAIC SAP				\$ -	\$ -
(4) NAIC SAP (1-2-3=4)	NJ	4	32	\$ (224,889)	\$ 353,466
<u>SURPLUS</u>					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	NJ	5	49	\$ 3,133,241	\$ 3,069,235
(6) State Prescribed Practices that increase/decrease NAIC SAP				\$ -	\$ -
(7) State Permitted Practices that increase/(decrease) NAIC SAP				\$ -	\$ -
(8) NAIC SAP (5-6-7=8)	NJ	5	49	\$ 3,133,241	\$ 3,069,235

B. Use of Estimates

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

C. Accounting Policy

The Company uses the following accounting policies:

- 1) Short-term investments are carried at market value.
- 2) Long-term bond investments that are NAIC designated as 1 and 2 are carried at amortized cost. Bond investments that are NAIC designated as 3 or higher are carried at the lower of cost or market value.
- 3) Common stocks are stated at market value
- 4) Preferred stocks are stated at either amortized cost or market value.
- 5) Mortgage loans – None
- 6) Loan-backed securities are carried at either amortized cost or market value.
- 7) Investments in subsidiaries and affiliates are valued using the statutory equity method.
- 8) The Company has an ownership interest in limited liability companies, which are carried at the underlying generally accepted accounting principles (GAAP) equity of the investees.
- 9) Derivatives – None
- 10) Premium deficiency – The Company does not utilize investment income as a factor in its premium deficiency calculation.
- 11) The liability for claims incurred but unpaid for current and prior years is estimated based upon certain actuarial assumptions which consider such factors as average enrollment, utilization, and claims paid in the current and preceding years. In addition, a provision is made for claim processing costs. Adjustments to these estimates are reflected in the year the actual results are known.
- 12) Capitalization policy and resultant predefined threshold have not changed from the prior period.
- 13) Pharmacy rebate estimates are accrued for in accordance with Statement of Statutory Accounting Principles (SSAP) No. 84, *Certain Healthcare Receivables and Receivables under Government Insured Plans*.

D. Going Concern

The Management has assessed the company's ability as a going concern and noted no such risk exists. There are no conditions or events that raise any concerns.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No change

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable

4. DISCONTINUED OPERATIONS

Not applicable

5. INVESTMENTS

- A. Mortgage loans – None
- B. Debt restructuring – None
- C. Reverse mortgages – None

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

D. Loan-backed securities – carried at either amortized cost or market value

2.	(1)	(2)		(3)
	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value 1 - (2a + 2b)
		(2a) Interest	(2b) Non-interest	
OTTI Recognized 1st Quarter				
a. Intent to sell	-	-	-	-
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
c. Total 1st Quarter	-	-	-	-
OTTI Recognized 2nd Quarter				
d. Intent to sell	-	-	-	-
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
f. Total 2nd Quarter	-	-	-	-
OTTI Recognized 3rd Quarter				
g. Intent to sell	-	-	-	-
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
i. Total 3rd Quarter	-	-	-	-
OTTI Recognized 4th Quarter				
j. Intent to sell	-	-	-	-
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
l. Total 4th Quarter	-	-	-	-
m. Annual Aggregate Total	-	-	-	-

4. a. The aggregate amount of unrealized losses:

1. Less than 12 Months	2,777
2. 12 Months or Longer	1,864

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	292,147
2. 12 Months or Longer	25,924

- E. Dollar Repurchase agreements and/or securities lending transactions – None
- F. Repurchase Agreements Transactions Accounted for Secured Borrowing – None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – None
- H. Repurchase Transactions Accounted for as a Sale – None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale – None
- J. Real Estate – None
- K. Low Income Housing Tax Credits (LIHTC) - None
- L. Restricted Assets

1	2	3	4	5	6	7
Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	Increase/ Decrease (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)

Restricted Assets

(1)

Restricted Assets (Including Pledged)

	Subject to contractual obligation for which liability is not shown					
a.	-	-	-	-	-	-
b.	-	-	-	-	-	-
c.	-	-	-	-	-	-
d.	-	-	-	-	-	-
e.	-	-	-	-	-	-
f.	-	-	-	-	-	-
g.	-	-	-	-	-	-
	Letter stock or securities restricted as to sale - excluding					
h.	-	-	-	-	-	-
i.	605	614	(9)	-	605	-
j.	-	-	-	-	-	-
k.	-	-	-	-	-	-
	Pledged as collateral to FHLB (including assets backing					
l.	392,218	402,260	(10,042)	-	392,218	5.29
m.	-	-	-	-	-	-
n.	-	-	-	-	-	-
o.	392,823	402,874	(10,051)	-	392,823	5.30

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

Description of Assets	1	2	3	4	5	6
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets

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

FHLB	-	-	-	-	-	-
Total (a)	-	-	-	-	-	-

Description of Assets	1	2	3	4	5	6
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Total (a) - - - - -

Total Line for Columns 1 through 3 should equal 5L(1)n Columns 1 through 3 respectively and Total Line for Column 4 should equal 5L(1)n Column 5

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted) *	4 % of BACV to Total Admitted Assets **
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Collateral Received and Reflected as Assets Within the

(4) Reporting Entity's Financial Statements

a. Cash, Cash Equivalents and Short-Term Investments	-	-	-	-
b. Schedule D, Part 1	-	-	-	-
c. Schedule D, Part 2, Section 1	-	-	-	-
d. Schedule D, Part 2, Section 2	-	-	-	-
e. Schedule B	-	-	-	-
f. Schedule A	-	-	-	-
g. Schedule BA, Part 1	-	-	-	-
h. Schedule DL, Part 1	-	-	-	-
i. Other	-	-	-	-
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	-	-	-	-

* Column 1 divided by Asset Page, Line 26 (Column 1) **

Column 1 divided by Asset Page, Line 26 (Column 3)

M. Working Capital Finance Investments – None

N. Offsetting and Netting of Assets and Liabilities – None

O. 5* Securities

Investment	Number of 5GI Securities		Aggregate BACV		Aggregate Fair Value	
	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
1. Bonds - AC	-	10	\$ -	\$ 4,308,389	\$ -	\$ 4,566,730
2. Bonds - FV	-	-	-	-	-	-
3. LB&SS - AC	-	-	-	-	-	-
4. LB&SS - FV	-	-	-	-	-	-
5. Preferred Stock - AC	-	-	-	-	-	-
6. Preferred Stock - FV	-	-	-	-	-	-
7. Total			\$ -	\$ 4,308,388.60	\$ -	\$ 4,566,730.38

P. Short Sales – None

Q. Prepayment Short Sale Transactions

	General Account	Separate Account
(1) Number of CUSIPs	137	
(2) Aggregate Amount of Investment Income	2,525	

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of admitted assets.

7. INVESTMENT INCOME

The Company has no non-admitted investment income due and accrued.

8. DERIVATIVE INSTRUMENTS

Not applicable

9. INCOME TAXES

A The components of the net deferred tax asset/(liability) are as follows:

Description	December 31, 2021			December 31, 2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 247,469,909	\$ 4,448,720	\$ 251,918,629	\$ 276,457,879	\$ 6,298,493	\$ 282,756,372	\$ (28,987,970)	\$ (1,849,773)	\$ (30,837,743)
(b) Statutory valuation allowance adjustments	176,072,399	4,448,720	180,521,119	205,079,637	6,298,493	211,378,130	(29,007,238)	(1,849,773)	(30,857,011)
(c) Adjusted gross deferred tax assets (1a - 1b)	71,397,510	-	71,397,510	71,378,242	-	71,378,242	19,268	-	19,268
(d) Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
(e) Sub-total net admitted deferred tax asset (1c - 1d)	71,397,510	-	71,397,510	71,378,242	-	71,378,242	19,268	-	19,268
(f) Deferred tax liabilities	53,116,984	18,280,526	71,397,510	55,705,161	15,673,081	71,378,242	(2,588,177)	2,607,445	19,268
(g) Net admitted deferred tax asset (Net deferred tax liability) (1e - 1f)	\$ 18,280,526	\$ (18,280,526)	\$ -	\$ 15,673,081	\$ (15,673,081)	\$ -	\$ 2,607,445	\$ (2,607,445)	\$ -

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

Description	December 31, 2021			December 31, 2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation components- SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized Excluding The Amount Of Deferred Tax Assets From 2(a) above After Application of the Threshold Limitation (The Lessor of 2(b)1 and 2(b)2 Below)	-	-	-	-	-	-	-	-	-
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	-	-	-	-	-	-	\$ -	\$ -	\$ -
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	469,986,131	-N/A-	469,986,131	464,494,719	-N/A-	464,494,719	\$ 5,491,412	-	\$ 5,491,412
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	53,116,984	18,280,526	71,397,510	55,705,161	15,673,081	71,378,242	(2,588,177)	2,607,445	19,268
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 (2(a) + 2(b) + 2(c))	\$ 53,116,984	\$ 18,280,526	\$ 71,397,510	\$ 55,705,161	\$ 15,673,081	\$ 71,378,242	\$ (2,588,177)	\$ 2,607,445	\$ 19,268

(3) (a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount.	625%	748%
(b) Amount of Adjusted Capital And Surplus Used to Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	3,133,240,871	3,096,631,460

(4) Impact of tax planning strategies (TPS) on adjusted gross DTAs and net admitted DTAs:

Description	December 31, 2021			December 31, 2020		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Adjusted gross DTA's - Percentage	0%	0%	0%	0%	0%	0%
(b) Admitted adjusted gross DTA's - Percentage	0%	0%	0%	0%	0%	0%
(c) Do TPS include a reinsurance strategy?	No			No		

B. Temporary differences for which a DTL has not been established:

The Company has no unrecognized DTLs for amounts described in SSAP 101, paragraph 23.

C. Significant components of income taxes incurred.

(1) Current income taxes incurred consist of the following major components:

Description	2021	2020	Change
(a) Current federal income tax expense / (benefit)	\$ (46,984,251)	\$ (3,927,492)	\$ (43,056,759)
(b) Foreign income tax expense / (benefit)	-	-	-
(c) Subtotal	(46,984,251)	(3,927,492)	(43,056,759)
(d) Tax expense / benefit on realized capital gains / (losses)	12,952,200	-	12,952,200
(e) Accrual (reversal) of tax contingencies	(1,591,499)	(144,047,714)	142,456,215
(f) Other, including prior year underaccrual (overaccrual)	(35,623,550)	(147,975,206)	112,351,656
(g) Federal and foreign income taxes incurred	\$ (35,623,550)	\$ (147,975,206)	\$ 112,351,656

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

DTAs Resulting From Book/Tax Differences In	December 31, 2021	December 31, 2020	Change
(a) Ordinary			
(1) Discounted claims reserves	\$ 22,182,164	\$ 19,208,228	\$ 2,973,936
(2) Non-admitted assets	146,317,607	190,947,029	(44,629,422)
(3) NOL and tax credit carryforward	14,923,585	-	14,923,585
(4) Deferred compensation	43,529,324	50,535,515	(7,006,191)
(5) Other	20,517,229	15,767,107	4,750,122
Subtotal - Gross ordinary DTAs	247,469,909	276,457,879	(28,987,970)
(b) Statutory valuation allowance adjustment - ordinary	(176,072,399)	(205,079,637)	29,007,238
(c) Nonadmitted ordinary DTAs	-	-	-
(d) Admitted ordinary DTAs	\$ 71,397,510	\$ 71,378,242	\$ 19,268
(e) Capital			
(1) Other than temporary impairments	\$ 2,667,524	\$ 4,213,972	\$ (1,546,448)
(2) Unrealized capital losses	1,781,196	2,084,521	(303,325)
Gross capital DTAs	4,448,720	6,298,493	(1,849,773)
(f) Statutory valuation allowance adjustment - capital	(4,448,720)	(6,298,493)	1,849,773
(g) Nonadmitted capital DTAs	-	-	-
(h) Admitted capital DTAs	\$ -	\$ -	\$ -
(i) Admitted DTAs	\$ 71,397,510	\$ 71,378,242	\$ 19,268
(3) DTLs Resulting From Book/Tax Differences In			
(a) Ordinary			
(1) Accrued market discount	\$ (976,113)	\$ (969,416)	\$ (6,697)
(2) Fixed Assets	(37,028,450)	(38,460,323)	1,431,873
(3) Guaranty fund assessment recoverable	(3,065,363)	(5,296,881)	2,231,518
(4) Prepaid pension	(12,047,058)	(10,978,541)	(1,068,517)
(5) Other	(1,370)	(3,784)	2,414
Ordinary DTLs	(53,118,354)	(55,708,945)	2,590,591
(b) Capital			
(1) Unrealized capital gains	\$ (18,279,156)	\$ (15,669,297)	\$ (2,609,859)
Capital DTLs	(18,279,156)	(15,669,297)	(2,609,859)
(c) DTLs	(71,397,510)	(71,378,242)	(19,268)
(4) Net deferred tax assets/liabilities	\$ -	\$ -	\$ -

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

	December 31, 2021	December 31, 2020	Bal. Sheet Change
Total deferred tax assets	\$ 251,918,629	\$ 282,756,372	\$ (30,837,743)
Total deferred tax liabilities	(71,397,510)	(71,378,242)	(19,268)
Net deferred tax assets/liabilities	180,521,119	211,378,130	(30,857,011)
Statutory valuation allowance adjustment	(180,521,119)	(211,378,130)	30,857,011
Net deferred tax assets/liabilities after SVA	\$ -	\$ -	\$ -
Tax effect of unrealized gains/(losses)	16,497,960	13,584,776	2,913,184
Statutory valuation allowance adjustment allocated to unrealized	1,781,196	2,084,521	(303,325)
Other intraperiod allocation of deferred tax movement	-	-	-
Change in net deferred income tax [(charge)/benefit]			\$ 2,609,859

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

D. Reconciliation of total statutory income taxes reported to tax at statutory rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before taxes including realized capital gains losses.

The significant items causing this difference are as follows:

Description	Amount	Tax Effect	Effective Tax Rate
Income Before Taxes	\$ (260,511,656)	\$ (54,707,448)	21.00%
Change in deferred taxes on nonadmitted assets	212,521,057	44,629,422	-17.13%
ACA Insurer fee	-	-	0.00%
162m Compensation adjustment	41,295,948	8,672,149	-3.33%
Change in Statutory valuation adjustment	(145,493,743)	(30,553,686)	11.73%
Income from disregarded entities	13,842,312	2,906,886	-1.12%
Federal tax credits	-	-	0.00%
Transfer pricing adjustment	9,529,547	2,001,204	-0.77%
Section 83b deduction	-	-	0.00%
Other nondeductible expenses	3,102,131	651,448	-0.25%
Dividends Received Deduction	(38,918,803)	(8,172,949)	3.14%
Return to provision adjustments	(17,430,643)	(3,660,435)	1.41%
Total	\$ (182,063,850)	\$ (38,233,409)	14.68%
Federal income taxed incurred [expense/(benefit)]		(46,984,251)	18.04%
Tax on Realized Capital Gains (Losses)		12,952,200	-4.97%
Prior year underaccrual (overaccrual)		(1,591,499)	0.62%
Change in net deferred income tax [charge/(benefit)]		(2,609,859)	1.00%
Total statutory income taxes		\$ (38,233,409)	14.6800%

E. Carryforwards, recoverable taxes, and IRC 6603 deposits:

At December 31, 2021, the Company had a net operating loss carryforward of \$41,887,384 which would expire in 2041.

At December 31, 2021, the Company did not have any capital loss carryforwards.

At December 31, 2021, the Company did not have any AMT credit carryforwards.

At December 31, 2021, the Company did had a foreign tax credit carryforward of \$85,878.

Income taxes, ordinary and capital, available for recoupment in the event of future losses include:

Available from tax year	Ordinary	Capital	Total
2019	\$ -	-	\$ -
2020	-	-	-
2021	-	12,952,200	12,952,200
Total	\$ -	\$ 12,952,200	\$ 12,952,200

At December 31, 2021, the Company had no tax amounts deposited in accordance with Section 6603 of the Internal Revenue Code.

F. Income tax loss contingencies

At December 31, 2021, the Company did not have any income tax loss contingencies as described under SSAP 101, paragraph 27.

G. The Company's federal income tax return is consolidated with the following entities:

Greenwood Insurance Company Inc.
Horizon Casualty Services, Inc.
Horizon Healthcare Dental, Inc.
Horizon Healthcare of New Jersey, Inc.
Horizon Healthcare Plan Holding Company, Inc.
Horizon Insurance Company, Inc.
Multistate Investment Services, Inc.
Multistate Professional Services, Inc.

The Company files its U.S. Federal Corporate Income Tax Return as a member of the Horizon Healthcare Services, Inc. & Subsidiaries consolidated group and participates in the Horizon Healthcare Services, Inc. & Subsidiaries tax sharing agreement. The agreement provides that the Company's tax liability/benefit is computed on a separate company basis using the Consolidated Group's applicable tax rate. In addition, the agreement provides that the Company will be reimbursed by the Parent for tax benefits relating to any net losses or any tax credits generated by the Company and utilized in filing the consolidated return. The federal income tax recoverable/payable in the accompanying statement of admitted assets, liabilities, capital and surplus are due to/from the Parent. Intercompany tax balances are settled annually following the filing of the consolidated federal income tax return.

As of December 31, 2021, the Company has a federal intercompany tax receivable of \$12,195,009.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AFFILIATES AND OTHER RELATED PARTIES

- A. The Company owns a number of for-profit subsidiaries involved in services ancillary to the Company's health insurance operations. The largest of the Company's wholly owned subsidiaries is Horizon Healthcare Plan Holding Company, Inc. (HHPHC). HHPHC is a holding company for several managed health care subsidiaries. These include:

Horizon Healthcare of New Jersey (HHNJ): a health maintenance organization (HMO) operating in New Jersey;

Horizon Healthcare Dental, Inc. (HHD): a New Jersey dental plan organization offering dental products;

Horizon Casualty Services, Inc. (HCS): a managed care workers' compensation company which offers integrated care and administrative services to insurers, employers and third-party administrators

Horizon Insurance Company, (HIC): a health insurer operating in New Jersey; and

Greenwood Insurance Company, (Greenwood): a captive insurance company

HHPHC, through its subsidiaries, provides cost effective managed health care benefits to subscribers through a select network of efficient providers, cost-effective provider reimbursement policies, and effective utilization management.

The Company also owns 100% of **Enterprise Property Holdings, LLC (EPH)**. EPH owns properties located in Monmouth County, New Jersey, which includes a building leased by the Company.

The Company also owns 100% of **Three Penn Plaza Property Holdings Urban Renewal, LLC (3PPPHUR)**. 3PPPHUR owns the Company's headquarters land and building located in Essex County, New Jersey. This property is leased by the Company.

The Company also owns 100% of **Multistate Investments Services, Inc. (MISI)**. MISI owns investments in various private equity funds whose investment focus is on healthcare innovation and technology in its underlying holdings.

The Company owns 50% of **New Jersey Collaborative Care, LLC (NJCC)** which in turn owns 100% of Healthier Insurance Company of NJ a/k/a Braven Health. In 2019, the Company and Hackensack Meridian Health, Inc. (HMH) (together, the Founding Members) entered into an operating agreement, as amended (the Operating Agreement) through which New Jersey Collaborative Care, LLC (NJCC) was formed. The Founding Members each hold the only voting interests in NJCC. No potential future partners in NJCC may own any units with voting interests. The purpose of NJCC is limited to developing, licensing, owning, financing, and operating either directly or through the formation of a joint venture

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

insurance company to offer Medicare Advantage (MA) products in the following counties of New Jersey; Bergen, Essex, Hudson, Middlesex, Monmouth, Ocean, Passaic and Union. In order to provide MA products in the counties noted above Healthier New Jersey Insurance Company d/b/a/ Braven Health (Braven) was created by the Founding Members.

HHSI and HIC entered into a 90% quota share reinsurance agreement effective October 1, 2015 whereby HHSI reinsured 90% of all Medicare Advantage and PDP and Medicare Supplement (Medigap) business, all on a prospective basis, (collectively, the "Senior" business). The amount of premiums, claims, general and administrative costs, assumed were \$404,177, \$350,220, and \$54,894 at December 31, 2021 and \$500,928, \$418,962, and \$74,427 at December 31, 2020, respectively. Receivables assumed were \$22,956 as of December 31, 2021 as compared to 21,468 as of December 31, 2020. Liabilities and payables assumed were \$86,760 as of December 31, 2021 as compared to \$99,441 as of December 31, 2020.

Effective January 1, 2017, HHSI and HHNJ entered into a 90% quota share reinsurance agreement whereby HHSI reinsured 90% of all Medicare DSNP, Medicaid, as well as 90% of Commercial Health insured business, all on a prospective basis. The amount of premiums, claims, general and administrative costs, assumed were \$6,929,769, \$5,898,028, and \$788,141 at December 31, 2021 and \$5,432,326, \$4,552,422, and \$691,622 at December 31, 2020, respectively. Receivables assumed were \$112,356 as of December 31, 2021 as compared to \$105,649 as of December 31, 2020. Liabilities and payables assumed were \$1,133,459 as of December 31, 2021 as compared to \$1,030,382 as of December 31, 2020.

- B. The Company has entered into several service agreements whereby the Company provides certain marketing, data processing, clerical, financial and administrative support functions, at cost. The Company was a party to the following transactions:
- a. The Company sales representatives market HHNJ's and HIC's products. In 2021 and 2020, the Company charged HHNJ \$4,939 and \$3,911, respectively, for these sales support services. In 2021, the Company charged HIC \$885 for these services and \$1,419 in 2020.
 - b. The Company purchases dental coverage from HHD for certain of its employees. HHD recorded revenues of \$676 in 2021 and \$707 in 2020 for dental coverage provided to the Company's employees.
 - c. The Company provides HHNJ and HIC with certain administrative services, including executive, financial, legal and human resource support. The Company also provides the computer systems and programming support needed by HHNJ for claims processing and customer service. These services are allocated according to a defined formula. Additionally, the Company provides various direct support services related to hospital contract negotiations, enrollment and billing services, front-end clerical functions, mail services, provider network services and medical management functions. HHNJ paid \$364,158 in 2021 and \$354,534 in 2020 to the Company for these services. In 2021 and 2020, the Company charged HIC \$29,512 and \$46,988 for these services.
 - d. The Company entered into a Specialty Dental Services Arrangement with HHD, under which the risk associated with fee-for-service claims incurred by HHD was transferred to the Company. HHD paid \$2,559 and \$2,482 in 2021 and 2020, respectively, in capitation payments to the Company for these claims. The Company pays the related claims and carries the associated risk.
 - e. The Company provides the computer systems and programming support needed by the affiliates for claims processing and customer services. The Company also provides the administrative services, including executive oversight, financial, legal, and human resources support. These expenses are allocated according to a defined formula. Amounts incurred by the affiliates are as follows:
 - HHPHC incurred \$15 for these services in 2021 and 2020.
 - HHD incurred \$833 and \$843 for these services in 2021 and 2020, respectively.
 - EPH incurred \$15 for these services in 2021 and 2020.
 - 3PPPHUR incurred \$15 for these services in 2021 and 2020.
 - HCS incurred \$15,196 and \$20,106 for these services in 2021 and 2020, respectively.
- C. The Company reported \$338,063 in net receivables from subsidiaries and affiliates at December 31, 2021 and \$294,629 at December 31, 2020.
- D. The Company entered into a rental agreement with EPH and 3PPPH. Under the terms of the agreement the Company paid \$3,009 of rent in 2021 and \$3,009 in 2020 to EPH. Under the terms of the agreement the Company paid \$13,465 and \$13,465 of rent in 2021 and 2020 to 3PPPH.
- E. In 2017, 3PPPHUR entered into a ten year \$100.0 million promissory note payable (Promissory Note) with HHSI to provide for repayment of 3PPPHUR's then existing mortgage which matured in October 2017. The Promissory Note carries an annual interest rate of 4.0% and matures on September 30, 2027. The balance of the Promissory Note was \$62,315 million and \$71,766 million as of December 31, 2021 and 2020, respectively.
- F. The Company made capital contributions to its affiliated subsidiaries 3PPPHUR, EPH, HHPHC, MISI and NJCC. In 2021 and 2020, the Company contributed to MISI \$15,335 and \$7,130, respectively. In 2021, the Company contributed to NJCC \$22,800 and \$10,800 in 2020. In 2021, the Company contributed \$70,486 and \$1,943 to 3PPPHUR and EPH, respectively, in the form of leasehold improvements. Additionally, the Company contributed \$10,000 to HHPHC.
- G. In 2021, the Company received \$37,000 dividend payments from affiliated subsidiary MISI, 3PPPHUR and EPH, and \$4,000 in 2020.

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(In thousands of dollars, unless otherwise noted)

H. All SCA Investments

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Enterprise Property Holdings, LLC	100%	24,567	24,567	-
3 Penn Plaza Prpty Hldgs Urban Renewal	100%	124,654	124,654	-
Horizon Healthcare Plan Holding Co	100%	1,347,896	1,347,896	-
Multistate Professional Services	100%	(2)	(2)	-
Multistate Investment Services	100%	113,598	113,598	-
NJ Collaborative Care	50%	4,898	4,898	-
Total SSAP No. 97 8a Entities		1,615,611	1,615,611	-
b. SSAP No. 97 8b(ii) Entities				
N/A				
Total SSAP No. 97 8b(ii) Entities	-	-	-	-
c. SSAP No. 97 8b(iii) Entities				
N/A				
Total SSAP No. 97 8b(iii) Entities	-	-	-	-
d. SSAP No. 97 8b(iv) Entities				
N/A				
Total SSAP No. 97 8b(iv) Entities	-	-	-	-
e. Total SSAP No. 97 8b entities (except 8bi entities) (b+c+d)	-	-	-	-
e. Total SSAP No. 97 8b entities (except 8bi entities) (b+c+d)	-	-	-	-
f. Aggregate Total (a+e)	-	1,615,611	1,615,611	-

(2) NAIC Filing Response Information – N/A

I. Investments in Insurance SCAs – N/A

11. DEBT

- (1) The Company maintains revolving credit and advance facilities totaling \$900.0 million at December 31, 2021 and \$900.0 million at December 31, 2020 provided by a consortium of four financial institutions and the Federal Home Loan Bank of New York (FHLBNY) to support our short-term funding needs. The current borrowing terms bear interest, as defined in the agreements.

Federal Home Loan Bank Facility

The Company is a member of the FHLBNY. As a member of the FHLBNY, the Company established a credit facility with a maximum principal amount not to exceed \$200,000 (FHLBNY Credit Facility). The FHLBNY Credit Facility is secured by a pledge of US Treasury/Agency or mortgage securities in the Company's fixed-income debt investment portfolio. The pledged securities must equal or exceed one hundred and ten percent of any amount outstanding under the FHLBNY Credit Facility. Approximately \$100,000 of the FHLBNY Credit Facility is available to be utilized to provide additional short-term working capital capacity (Working Capital Facility).

The Company drew down \$100,000 from the FHLBNY Credit Facility to repay the existing mortgage. Of the \$100,000 borrowed, the Company received proceeds of \$95,500 with the balance of \$4,500 being held by the FHLBNY as activity-based stock. As the Company makes the monthly term loan payments the activity-based stock noted above is proportionately returned by the FHLBNY. This term loan balance was \$71,766 as of December 31, 2020 and \$80,846 as of December 31, 2019 and bears a fixed interest rate of 2.25%. The Company utilized the \$95,500 of proceeds and cash on hand to repay the existing mortgage.

In August 2018, the Company increased the borrowing capacity of the Working Capital Facility to \$400,000 and added Horizon Healthcare of New Jersey, Inc. as a borrower on the FHLBNY Credit Facility.

HHSI has received correspondence from the New Jersey Department of Banking and Insurance which permits it to pledge collateral to the FHLBNY in an amount up to 10% of its prior year-end statutory net admitted asset, excluding separate accounts. Based on HHSI's statutory net admitted assets as of December 31, 2019, the 10% limitation equates to a pledged asset maximum of approximately \$683,430 and an estimated borrowing capacity maximum of approximately \$400,000. FHLBNY borrowings are subject to the FHLBNY's discretion and the availability of qualifying assets at HHSI.

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(In thousands of dollars, unless otherwise noted)

(2) FHLB Capital Stock

a. Aggregate Totals

	<u>Total</u>
1. Current Year	
(a) Membership Stock - Class A	
(b) Membership Stock - Class B	605
(c) Activity Stock	2,747
(d) Excess Stock	-
(e) Aggregate Total (a+b+c+d)	<u>3,352</u>
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	<u>\$ 500,000</u>

Horizon BCBSNJ's borrowing capacity is based on the aggregate value of the securities pledged to the FHLBNY

	<u>Total</u>
2. Prior Year-end	
(a) Membership Stock - Class A	-
(b) Membership Stock - Class B	614
(c) Activity Stock	3,183
(d) Excess Stock	-
(e) Aggregate Total (a+b+c+d)	<u>3,797</u>
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	<u>\$ 500,000</u>

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

Membership Stock	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
Class A	-	-	-	-	-	-
Class B	605	605	-	-	-	-

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
Current Year Total Collateral Pledged	\$ 402,260	\$ 392,218	
Prior Year-end Total Collateral Pledged	\$ 405,849	\$ 378,738	\$ 377,852

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
Current Year Total Maximum Collateral Pledged	\$ 402,260	\$ 392,218	\$ 377,852
Prior Year-end Total Maximum Collateral Pledged	\$ 405,849	\$ 378,738	\$ 377,852

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

	Total	Funding Agreements Reserves Established
1. Current Year		
(a) Debt	\$ -	\$ 402,260
(b) Funding Agreements	-	-
(c) Other	-	-
(d) Aggregate Total (a+b+c)	<u>\$ -</u>	<u>\$ 402,260</u>
2. Prior Year-end		
(a) Debt	\$ 405,849	\$ 405,849
(b) Funding Agreements	-	-
(c) Other	-	-
(d) Aggregate Total (a+b+c)	<u>\$ 405,849</u>	<u>\$ 405,849</u>

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

b. Maximum Amount during Reporting Period (Current Year)

	<u>Total</u>
1. Debt	\$ 402,260
2. Funding Agreements	-
3. Other	-
4. Aggregate Total (1+2+3)	<u>\$ 402,260</u>

Line of Credit

In August 2021, the Company entered into the First Amendment (First Amendment) to the Amended and Restated Credit Agreement (Credit Agreement). The First Amendment retained the total borrowing capacity available to the Company of \$400.0 million and modified the maturity date of the Credit Agreement to August 29, 2022. The purpose of the Credit Agreement is to provide for the Company's short-term funding needs. Current terms require a fee of 0.30% on undrawn funds and a borrowing rate of LIBOR (as defined) plus 75 basis points. The Company paid \$1,754 and \$1,318 in commitment fees and \$ - and \$261 in interest in 2021 and 2020, respectively, on the Amended Credit Facility.

The Company's Credit Facility contains certain financial covenants and restrictions including a consolidated capitalization ratio and consolidated leverage requirement. As of December 31, 2020, the Company was in compliance with all covenants and other requirements set forth in its Credit Facility. However, as of December 31, 2021, the Company is not in compliance with the consolidated leverage ratio. As a result of the covenant breach, the Company is working with the lenders to amend the agreement to cure the breach by March 31, 2022. As of December 31, 2021, the Company's Credit Facility was undrawn and the Company maintains significant cash balances and short-term US Treasury securities along with access to the Federal Home Loan Bank of New York.

December 31, 2021	Borrowing Capacity	Amount Outstanding December 31	Average Interest Rate
Amended Credit Facility	\$ 400.0	\$ -	0.00%
Working Capital Facility	\$ 438.0	\$ -	0.33%

December 31, 2020	Borrowing Capacity	Amount Outstanding December 31	Average Interest Rate
Amended Credit Facility	\$ 400.0	\$ -	0.00%
Working Capital Facility	\$ 430.0	\$ -	1.16%

12. RETIREMENT PLANS, DEFERRED COMPENSATION POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANSA. Retirement Plans

The Company maintains Horizon Blue Cross Blue Shield of New Jersey Employees' Retirement Plan (Retirement Plan) for all participants actively employed on January 1, 2010.

Additionally, the Company has Management Employees' Savings and Investment Plan and the Union Employees' Savings and Investment Plan (the Plans) for all participants actively employed to receive the Horizon Retirement Contribution (HRC) in place of any pension plan contributions. For the year ended December 31, 2021 and 2020, the Company contributed \$51,527 and \$44,765, respectively, to participants' defined contribution plans under the HRC.

In 2021, the Company surveyed the participants in the existing pension plan to determine if there was any interest in receiving a lump-sum distribution of their pension benefits. Effective August 2021, the Company terminated and spun-off its pension plan. Those participants who did not elect a lump-sum distribution had their cash balance spun-off to a new plan that mirrored all the benefits of the existing plan. Those participants that opted for a lump-sum distribution remained in the terminating plan until the distribution was made. Annuities will be purchased for those participants in the terminating plan that ultimately opted not to take a lump-sum distribution. As a result of this transaction the Company recorded a settlement gain of approximately \$12,000.

Postretirement Benefits Other Than Pensions

The Company provides postretirement benefits to former employees for health and life insurance. Employees become eligible for these benefits if they meet minimum age requirements and may contribute towards the cost of such benefits depending upon their length of service. The Company has the right to modify or terminate certain benefits.

In accordance with the NAIC directive on accounting for postretirement benefits for statutory accounting purposes, the Company records only the expected postretirement benefit obligation for fully eligible employees.

The Company does not offer other postretirement benefits for employees hired after January 1, 2004 for management employees and after January 1, 2006 for union employees.

The Company uses a measurement date of December 31 for its pension and other post-retirement plans.

Deferred Compensation Plan

There are no stock option plans.

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(In thousands of dollars, unless otherwise noted)

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2021 and 2020:

	Pension		Other Postretirement	
	2021	2020	2021	2020
Balance sheet components of net amount recognized				
Other assets	\$ 51,527	\$ 44,765	\$ -	\$ -
Current benefit liability (accounts payable and accrued expenses)	(1,133)	(503)	(7,680)	(8,297)
Noncurrent benefit liability (obligations for employee benefits)	(1,509)	(1,651)	(89,197)	(99,278)
Net amount recognized	\$ 48,885	\$ 42,611	\$ (96,877)	\$ (107,575)
	Pension		Other Postretirement	
	2021	2020	2021	2020
Amounts recognized in accumulated other comprehensive income				
Net actuarial gain	\$ -	\$ -	\$ (8,801)	\$ (424)
Prior service cost	1,384	2,570	-	(1,045)
Net amount recognized (pre-tax)	\$ 1,384	\$ 2,570	\$ (8,801)	\$ (1,469)

	Pension	
	2021	2020
Interest cost	\$ 6,813	\$ 9,277
Actual return on plan assets	(6,773)	(11,844)
Amortization of prior service cost	493	555
Recognized net actuarial loss	(5,888)	8,678
Settlement/ curtailment (gain)/loss	692.546	-
Net periodic benefit/(expense) income	\$ (4,663)	\$ 6,666

	Other Postretirement	
	2021	2020
Service cost	\$ 988	\$ 942
Interest cost	2,150	3,143
Amortization of prior service credit	(1,152)	(1,641)
Recognized net actuarial gain	2,905	2,905
Net periodic benefit cost	\$ 4,892	\$ 5,349

	Pension	
	2021	2020
Discount rate	2.19%/2.75%	2.19%/2.03%
Rate of compensation increases	N/A	N/A

	Other Postretirement	
	2021	2020
Discount rate	2.10%	3.14%
Rate of compensation increases	3.00% + merit	3.00% + merit

(9) Not applicable.

(10) For measurement purposes at December 31, 2021, the assumed annual rate of increase in the per capita costs of covered health care benefits for the other postretirement plan was 5.0% for 2021. The Company assumes an ultimate medical trend rate of 5.0% in 2020. Assumed health care trend rates would have the following effects:

	1%	
	Increase	Decrease
Effect on total service and interest cost	\$ 16	\$ (8)
Effect on postretirement benefit obligation	\$ 62	\$ (114)

The Company's investment policy for the pension plans is designed to anticipate the financial needs of the plans, consider risk tolerance, and document and communicate objectives, guidelines, and standards to the investment managers. The asset allocation contains guideline percentages, at market value, of the total plan investments which can be invested in various asset classes. The target allocation is an assumption and may vary from period to period as actual asset allocations at any point will be dictated by current and anticipated market conditions, the independent actions of the committee and/or the investment manager which oversees the investment policy, and required cash flows to and from the plans.

i. The asset allocation for the Company's pension plans as of December 31, 2021 and 2020, and the target allocation for 2021, by asset category, are as follows:

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(In thousands of dollars, unless otherwise noted)

Asset Category	Target	Percentage of Plan Assets at	
	Allocation	Year End	
	2021	2020	2019
Fixed income debt securities	100%	100%	100%
U.S. equity securities	0%	0%	0%
Foreign equity securities	0%	0%	0%
Total	100%	100%	100%

(13) Information about the expected benefits paid is as follows:

Expected Employer Contributions	Pension	Other	
		Postretirement	
2022	\$ 225	\$ 7,680	

Expected Benefit Payments	Pension	Other Postretirement	
		Before	Expected
		Subsidy	Subsidy
2022	\$ 46,777	\$ 8,228	\$ 548
2023	17,474	8,695	585
2024	17,564	9,098	626
2025	17,355	9,161	661
2026	14,441	9,155	705
2027-2031	69,726	41,187	3,937
	\$ 183,337	\$ 85,524	\$ 7,062

(14) Not Applicable

(15) Not Applicable

(16) Not Applicable

(17) Not Applicable

(18) Not Applicable

(19) Not Applicable

(20) The following table represents the Plans' fair value hierarchy for its financial assets (cash equivalents and investments) measured at fair value on a recurring basis as of December 31, 2021 and 2020:

2021	Level 1	Level 2	Level 3	Total
Money market and cash equivalents	\$ 28,501	\$ -	\$ -	\$ 28,501
Fixed income	-	233,159	-	233,159
Equity	20,440	-	-	20,440
Net unsettled trades	(396)	-	-	(396)
	\$ 48,545	\$ 233,159	\$ -	\$ 281,704

2020	Level 1	Level 2	Level 3	Total
Money market and cash equivalents	\$ 40,480	\$ -	\$ -	\$ 40,480
Fixed income	-	338,347	-	338,347
Accrued interest, dividends and unsettled trades	(2,040)	-	-	(2,040)
	\$ 38,440	\$ 338,347	\$ -	\$ 376,787

E. Defined Contribution Plan

The Company sponsors the Horizon Blue Cross Blue Shield of New Jersey Management and Union Employees' Savings and Investment Plans, which are contributory 401(k) savings plans. Employees with one month of service are eligible for membership. The Company's contribution to the savings and investment plans amounted to \$11,052 in 2021 and \$11,028 in 2020.

F. Multiemployer Plans: Not Applicable

G. Consolidated/Holding Company Plans: Not Applicable

H. Impact of Medicare Modernization Act on Postretirement Benefits: Not Applicable

13. CAPITAL AND SURPLUS AND SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. The Company has no common stock authorized, issued, or outstanding.
2. The Company has no preferred stock outstanding.

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3. The Company is required to maintain minimum amounts of paid-in capital and paid-in surplus, as specified under New Jersey Insurance Law. The Company's capital and surplus currently exceed those requirements. The Company may not distribute any dividend unless notice of its intention to declare the dividend has been filed with the DOBI and the DOBI has not disapproved the distribution within 30 days of the notice.
4. The Company did not pay any dividends in 2021 or 2020.
5. Within the limitations of (3) above, there are no restrictions placed on the portion of Company's profits that may be paid as ordinary dividends to stockholders.
6. In accordance with the enabling legislation under which the Company operates, the Company's reserves must be allocated between individual and group business and are subject to the uniform risk-based capital ("RBC") and surplus requirements for life and health insurance companies, as set forth in N.J.A.C 11:2-39.1. The Company's reserves exceed that threshold in 2020 and in 2019.

At December 31, the reserves were allocated as follows:

	<u>2021</u>	<u>2020</u>
Individual business	\$ 1,423,556,657	\$ 1,394,479,665
Group business	<u>1,709,684,213</u>	<u>1,674,755,755</u>
	<u>\$ 3,133,240,870</u>	<u>\$ 3,069,235,420</u>

7. There were no unpaid advances to surplus.
8. There was no stock held by the Company for special purposes.
9. There were no special surplus funds.
10. The portion of unassigned surplus represented or reduced by unrealized gains and losses in 2021 was \$70,880 on external investments.
11. The Company has no surplus notes.
12. There has been no quasi-reorganization.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent commitments – None

- B. Assessments - In May 2017 the Company paid a Guaranty Fund Assessment of \$57,030. In accordance with New Jersey regulations the Company also recorded a discounted 50% receivable of \$28,515, for premium tax credits. The premium tax credits will be realized starting in 2020 at no more than 20% of the total credit per year. In 2016 the Company paid a Guaranty Fund Assessment of \$11,550. In accordance with New Jersey regulations the Company also recorded a \$5,775 receivable, 50% of the total invoiced amount, for premium tax credits. The premium tax credits will be realized starting in 2020 at no more than 20% of the total credit per year.

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	30,613
b. Decreases current year:		
Policy surcharges collected		-
Policy surcharges charged off		-
Penn Treaty		(5,587)
Health Republic		(1,155)
Premium tax offset applied		-
c. Increases current year:		
Policy surcharges collected		-
Policy surcharges charged off		-
Premium tax offset applied:		
Penn Treaty		1,352
Accretion of prior year		
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	25,223

C. Gain contingencies – None

D. Claims related extra contractual obligation and bad faith losses stemming from lawsuits – None

E. Joint and several liabilities - None

F. All other contingencies – None

(3)

a. Discount Rate Applied 2.19%

b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency: N/A

c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency

Name of the Insolvency	Payable			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Health Republic	-	-	-	1	7	7
Penn Treaty	-	-	-	1	7	7

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G. Litigation

From time to time the Company is a party to various legal proceedings. The Company does not believe that any of the matters pending against it are material taken as a whole. However, the Company has summarized below, for purposes of providing background, various legal proceedings to which it is a party. In addition to the following, various other legal actions, claims and governmental inquiries and proceedings are pending or may be instituted or asserted in the future.

In re: Blue Cross Blue Shield Antitrust Litigation

This action is a multidistrict litigation (MDL) comprised of more than 60 lawsuits throughout the United States against all Blue Plans and the Blue Cross and Blue Shield Association (BCBSA). This matter has been centralized in the Northern District of Alabama and involves a challenge by putative national and state-wide classes of healthcare providers and health insurance subscribers on the lawfulness of the BCBSA trademark license agreements, membership guidelines and rules. The Plaintiffs allege that these agreements, guidelines, and rules violate federal antitrust laws and seek to recover damages as well as obtain injunctive relief.

Cross motions for partial summary judgment on the relevant standard of review governing the claims asserted in the case were heard by the Court in October 2017. In April 2018, the Court issued its ruling on the standard of review finding that the National Best Efforts and Exclusive Service Area rules, when considered together, should be analyzed under the per se standard of review. The Defendants were granted leave by the Court to petition the 11th Circuit. However, in December 2018, the 11th Circuit denied Defendants' petition for an appeal.

In April 2019, both Provider and Subscriber Plaintiffs filed motions for Class Certifications and the Defendants filed oppositions to those motions in July 2019. No hearings on the motions were scheduled as the Court stayed the litigation in order to allow the parties to attempt settlement of this matter.

Subscriber Plaintiffs and the Defendants reached a settlement which includes the elimination of the National Best Efforts rule in the license agreements and, in certain circumstances, allowing large national employers with self-funded benefit plans to request a second bid for insurance coverage from an additional Blue Plan. The terms of the Subscriber Settlement Agreement are subject to approval by the Court before they become effective.

The Provider Plaintiffs and Defendants have concluded expert discovery, filed dispositive and class certification motions and are participating in court ordered mediation. The Company is vigorously defending this litigation.

LifeWatch Services, Inc. v. Highmark, Inc., et al.

LifeWatch Services, Inc. v. Highmark, Inc., et al. is an action previously included in the *In re: Blue Cross Blue Shield Antitrust Litigation*. Plaintiff is a durable medical equipment supplier of mobile cardiac outpatient telemetry units (MCOT), which remotely monitor patients for heart issues. Plaintiff makes antitrust claims against Highmark, Inc., BCBSA, Anthem, Horizon Blue Cross Blue Shield of New Jersey, Blue Cross Blue Shield of South Carolina, and Blue Cross Blue Shield of Minnesota, alleging a conspiracy to not reimburse for MCOT. This conspiracy is allegedly implemented via a BCBSA medical policy.

The matter has been remanded to the Eastern District of Pennsylvania where Plaintiff has filed a Third Amended Complaint. In May 2016, the Company and other defendants filed a Motion to Dismiss the Third Amended Complaint. In December 2016, the Court heard oral argument on the Motion to Dismiss. Plaintiff has resolved the litigation with one of the defendants, Highmark, Inc. On April 3, 2017, the Court granted the remaining Defendants' motion to dismiss the Third Amended Complaint and dismissed the litigation with prejudice. Plaintiff appealed the dismissal and, in August 2018, the 3rd Circuit reversed the dismissal.

The Defendants' moved again to dismiss the complaint. The Motion to Dismiss based on the McCarran-Ferguson Act was granted by the Eastern District Court of Pennsylvania on December 28, 2020. The Court ruled that the McCarran-Ferguson Act immunized the Blues from antitrust liability. Lifewatch appealed the decision to the 3rd Circuit Court of Appeals, which affirmed the district court decision in November 2021. The Company is vigorously defending this litigation.

OMNIA Litigation

The Company was a party to one litigation involving the innovative healthcare value product, OMNIA, the selection of the OMNIA partners and the Tier I and Tier II designations of providers.

In *Saint Peter's University Hospital, Inc. v. Horizon Healthcare Services, Inc.*, Saint Peter's alleged causes of action for Breach of Contract, Breach of the Implied Covenant of Good Faith and Fair Dealing, Tortious Interference with Prospective Economic Advantage, Defamation and Trade Libel and requested injunctive relief, including Tier 1 status for OMNIA. This matter settled in April 2021.

Courtney Diana, et al. v Horizon Healthcare Services, Inc., and Karen Pekelney and Mark Meisel v. Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey

The *Courtney Diana, et al. v. Horizon Healthcare Services, Inc., and Karen Pekelney and Mark Meisel v. Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey* litigations were filed in the United States District Court for the District of New Jersey resulting from the theft of two laptops tethered to workstations by cable locks in the Company's Newark headquarters in 2013. Plaintiffs assert that the incident constitutes a willful and negligent violation of the Fair Credit Reporting Act, common law negligence, breach of contract, various violations of the New Jersey Consumer Fraud Act, an invasion of privacy by public disclosure of private facts, and unjust enrichment.

In March 2015, the Court granted the Company's Motion to Dismiss the litigation. Plaintiffs appealed and, on January 20, 2017, the Third Circuit reversed the District Court's Order and remanded the proceeding to District Court. The 3rd Circuit based its decision on a standing analysis and did not analyze the underlying merits of the case. The Company re-filed its Motion to Dismiss and, on July 17, 2017, oral argument was heard. The Court granted the Motion to Dismiss in December 2021, with leave to amend. The parties reached a settlement in principle in February 2022.

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

Conclusion

The Company does not anticipate that the above matters will have a material impact on its business. In addition, the Company records accruals for such contingencies to the extent that it concludes it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. No estimate of the possible loss or range of loss in excess of amounts accrued, if any, can be made at this time regarding the matters specifically described above because of the inherently unpredictable nature of legal proceedings, which also may be exacerbated by various factors, including: (i) the damages sought in the proceedings are unsubstantiated or indeterminate; (ii) discovery is not complete; (iii) the proceeding is in its early stages; (iv) the matters present legal uncertainties; (v) there are significant facts in dispute; (vi) there are a large number of parties (including where it is uncertain how liability, if any, will be shared among the defendants); or (vii) there is a wide range of potential outcomes.

The Company is also involved in other various legal actions, including employment actions, occurring in the normal course of its business. Although the ultimate outcome of such legal actions cannot be predicted with certainty, in the opinion of management, after consultation with counsel responsible for such litigation, the outcome of these actions is not expected to have a material adverse effect on the Company's financial position, results of operations or financial condition.

15) LEASES

The Company has non-cancelable operating leases for real estate and equipment that expire over the next ten years, many of which provide for purchase or renewal options. Certain leases contain escalation clauses, which have been reflected on a straight-line basis over the life of the lease.

	Minimum Lease Payments
2022	25,946
2023	24,005
2024	21,334
2025	21,336
Thereafter	618,878
	<u>711,499</u>

Total rent expense for operating leases in 2021 and 2020 was \$29,513 million and \$31,586 million, respectively.

16) INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK

Not applicable

17) SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES

Not applicable

18) GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Cost-Plus contracts represent funding arrangements with certain larger group customers, whereby they agree to fully fund claims and administrative expenses as incurred by the Company. These contracts have been classified as uninsured health plans for financial statement purposes, leaving only the reimbursement for administrative expenses from these groups shown as a reduction in operating expenses.

Had these groups been considered as insured business, premiums claims and operating expenses would have been increased by the following amounts in 2021:

ASO Plans	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans as follows during 2020:			
a.	Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ -	\$ -
b.	Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -
c.	Net gain or (Loss) from operations	\$ -	\$ -
d.	Total claim payment volume	\$ -	\$ -
ASC Plans	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Service Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2020:			
a.	Gross reimbursement for medical cost incurred	\$ 11,535,215	\$ 11,535,215
b.	Gross administrative fees accrued	\$ 379,065	\$ 379,065
c.	Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -
d.	Gross expenses incurred (claims and administrative)	\$ 11,914,280	\$ 11,914,280
e.	Total net gain or loss from operations	\$ -	\$ -

Had these groups been considered as insured business, premiums claims and operating expenses would have been increased by the following amounts in 2020

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

ASO Plans	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans as follows during 2019:			
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ -	\$ -	\$ -
b. Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
c. Net gain or (Loss) from operations	\$ -	\$ -	\$ -
d. Total claim payment volume	\$ -	\$ -	\$ -

ASC Plans	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Service Contract (ASC) uninsured plans and the uninsured portion of partially insured plans as follows during 2020:			
a. Gross reimbursement for medical cost incurred	\$ 9,775,829	\$ -	\$ 9,775,829
b. Gross administrative fees accrued	\$ 351,354	\$ -	\$ 351,354
c. Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d. Gross expenses incurred (claims and administrative)	\$ 10,127,185	\$ -	\$ 10,127,185
e. Total net gain or loss from operations	\$ -	\$ -	\$ -

19) DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable

20) FAIR VALUE MEASUREMENTS

A.

December 31, 2021	Level I	Level II	Level III	Total
Fixed income debt securities				
Short-term money market funds, at fair value, restricted	\$ -	\$ -	\$ -	\$ -
US treasury securities and obligations of US government corporations and agencies, available-for-sale, at fair value	-	-	-	-
Corporate bonds, available-for-sale, at fair value	-	88,739	-	88,739
Collateralized securities, available-for-sale, at fair value	-	6,097	-	6,097
Total fixed income debt securities	-	94,836	-	94,836
Equity securities				
Domestic Common Stocks	244,438	-	1,055	245,493
Foreign Common Stocks	69,751	-	-	69,751
Preferred Stocks	1,340	-	-	1,340
Other BA Assets	-	40,444	-	40,444
Total equity securities	315,529	40,444	1,055	357,028
Total	\$ 315,529	\$ 135,280	\$ 1,055	\$ 451,864

December 31, 2020	Level I	Level II	Level III	Total
Fixed income debt securities				
Short-term money market funds, at fair value, restricted	\$ -	\$ -	\$ -	\$ -
US treasury securities and obligations of US government corporations and agencies, available-for-sale, at fair value	-	-	-	-
Corporate bonds, available-for-sale, at fair value	-	25,543	-	25,543
Collateralized securities, available-for-sale, at fair value	-	9,201	-	9,201
Total fixed income debt securities	-	34,744	-	34,744
Equity securities				
Domestic Common Stocks	258,277	-	-	258,277
Foreign Common Stocks	116,614	-	-	116,614
Preferred Stocks	2,640	-	-	2,640
Total equity securities	377,531	-	-	377,531
Total	\$ 377,531	\$ 34,744	\$ -	\$ 412,275

The table below sets forth a summary of the changes in the fair value of our Level III investments for the year ended December 31, 2021.

C. Aggregate Fair Value by Hierarchical Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bond	2,278,849,466	\$ 2,221,370,069		\$ 2,278,849,466	\$ -	\$ -
Collateralized Mortgage Obligation	515,788,087	508,292,309		515,788,087	-	-
Mortgage Back Securities	225,722,674	223,006,927		225,722,674	-	-
Perpetual Preferred Stocks	1,788,735	1,773,950	1,788,735		-	-
Common Stock	314,189,324	314,189,324	314,189,323		-	-
Other Asset BA	40,444,316	40,444,316		40,444,316	-	-
Short Term	14,148,384	14,148,571	11,587,480	2,560,904	-	-
Cash and Cash Equivalent	69,996,111	69,996,111	69,996,049		-	-
Total	\$ 3,460,927,098	\$ 3,393,221,578	\$ 397,561,588	\$ 3,063,365,448	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

D. Not Practicable to Estimate Fair Value Detail

December 31, 2021

Type or Class of Financial Instrument

CUSIP	Lot	Security Description	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Cash and Cash Equivalents						

Total Cash and Cash Equivalents	\$	-
--	----	---

21) OTHER ITEMS

- A. Unusual or infrequent items – None
- B. Troubled debt restructuring: debtor – None
- C. Other disclosures:
- - In 2020, the state of New Jersey passed legislation which would allow the Company to transition to a not for profit mutual holding company structure. An application has been filed with the New Jersey Department of Banking and Insurance on February 5, 2020 and the Company awaits final approval of the conversion.
- D. Business interruption insurance recoveries – None
- E. State transferable and non-transferable tax credits – None
- F. Sub-prime mortgage related risk exposure – None
- G. Retained assets – None
- H. Insurance – Linked Securities (ICS) Contracts – None
- I. Amount that could be realized on life insurance where the reporting entity is the owner and beneficiary or otherwise has obtained rights to control the policy - None

22) EVENTS SUBSEQUENT

The Company follows established guidelines for accounting and disclosure of events that occur after the balance sheet date but before financial statements are issued. The Company has evaluated subsequent events for recognition or disclosure in these financial statements through the date of their issuance on February 28, 2021.

23) REINSURANCE

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

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

Yes () No (X)

If yes, give full details.

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

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

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate \$_____.
- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$1,002,705

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

Yes () No (X)

If yes, give full details.

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$195,822 decrease to surplus.
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ _____

B. Uncollectible Reinsurance
Not applicable

C. Commutation of Ceded Reinsurance
Not applicable

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

24) RETROSPECTIVELY RATED CONTRACTS and CONTRACTS SUBJECT TO REDETERMINATION

D. Medical loss ratio rebates required pursuant to the Public Health Services Act

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	-	-	-	-	-
(2) Medical loss ratio rebates paid	-	-	-	-	-
(3) Medical loss ratio rebates unpaid	-	-	-	-	-
(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	-
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	-	-	-	-	-
(8) Medical loss ratio rebates paid	-	-	-	-	-
(9) Medical loss ratio rebates unpaid	-	-	-	-	-
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	-
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	-

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

E. Risk-Sharing Provisions of the Affordable Care Act (ACA)

(1)	Did the reporting entity write accidental and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions	Yes
(2)	Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	<u>Amount</u>
a. Permanent ACA Risk Adjustment Program		
Asset		
1	Premium adjustments receivable due to ACA Risk Adjustment	\$ 85,612
Liabilities		
2	Risk adjustment user fees payable for ACA Risk Adjustment	1,161
3	Premium adjustments payable due to ACA Risk Adjustment	12,166
Operations (Revenue & Expense)		
Reported as revenue in Premium for accident and health contracts (written/collected)		
4	due to ACA Risk Adjustment	73,446
5	Reported in expenses as ACA risk adjustment user fees (incurred/paid)	1,161
b. Transitional ACA Reinsurance Program		
Asset		
1	Amounts recoverable for claims paid due to ACA Reinsurance	-
2	Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	-
3	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities		
4	Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	-
5	Ceded reinsurance premium payable due to ACA Reinsurance	-
6	Liabilities for amounts held under uninsured plans contributions for ACA reinsurance	-
Operations (Revenue & Expense)		
7	Ceded reinsurance premium payable due to ACA Reinsurance	-
8	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	-
9	ACA Reinsurance contributions - not reported as ceded premium	-
c. Temporary ACA Risk Corridors Program		
Asset		
1	Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities		
2	Reserve for credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expense)		
3	Effect of ACA Risk Corridors on net premium income (paid/received)	-
4	Effect of ACA Risk Corridors on change in reserves for rate credits	-

Accrued During the prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balance as of Reporting Date		
				Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Co 2-4)	To Prior Year Balance	To Prior Year Balance	Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)	
1	2	3	4	5	6	7	8	Ref	9	10
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)

(3) Roll-forward of prior year ACA risk-sharing provisions on a direct basis for the following asset (gross of any nonadmission)

a.	Permanent ACA Risk Adjustment Program											
1	Premium adjustment receivable (including high risk pool payments)	116,645	-	118,286	-	(1,641)	-	19,256	-	A	17,615	-
2	Premium adjustment (payable) (including high risk pool payments)	-	(130,765)	-	(130,765)	-	0	-	-	B	-	-
3	Subtotal ACA Permanent Risk Adjustment Program	116,645	(130,765)	118,286	(130,765)	(1,641)	0	19,256	-		17,615	-
b.	Transitional ACA Reinsurance Program											
1	Amounts recoverable for claims paid	-	-	-	-	-	-	-	-	C	-	-
2	Amounts recoverable for claims unpaid (contra liability)	-	-	-	-	-	-	-	-	D	-	-
3	Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4	Liabilities for contributions payable due to ACA reinsurance - not reported as cede premium	-	-	-	-	-	-	-	-	F	-	-
5	Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-	-
6	Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7	Subtotal ACA transitional Reinsurance program	-	-	-	-	-	-	-	-		-	-
c.	Temporary ACA Risk Corridors Program											
1	Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
2	Reserve for rate credited or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
3	Subtotal ACA Risk Corridors program	-	-	-	-	-	-	-	-		-	-
d.	Total for ACA Risk sharing provisions	116,645	(130,765)	118,286	(130,765)	(1,641)	0	19,256	-		17,615	-

Explanation of Adjustments

A. Additional risk adjustment data validation

B. Additional risk adjustment data validation

C. N/A

D. N/A

E. N/A

F. N/A

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridor Program Year	Accrued During the prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Unsettled Balance as of		
	1	2	3	4	Prior Year	Prior Year	To Prior Year	To Prior Year	Cumulative	Cumulative	
					Accrued Less Payments (Col 1-3)	Accrued Less Payments (Co 2-4)					Balance	Balance	Balance from Prior Years (Col 1-3+7)	Balance from Prior Years (Col 2-4+8)
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)

a. 2014											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	A	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	B	-	-
b. 2015											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	C	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
c. 2016											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	E	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	F	-	-
d. Total for Risk Corridors	-	-	-	-	-	-	-	-		-	-

Explanations of Adjustments

- A. N/A
- B. N/A
- C. N/A
- D. N/A
- E. N/A
- F. N/A

(5) ACA Risk Corridors Receivable as of Reporting Date

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

25) CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

Reserves for incurred claims attributable to insured events of prior years of \$42,119 and \$45,861 unfavorably impacted our results of operations in 2021 and 2020, respectively, as a result of re-estimation of unpaid claims. The unfavorable impact is the result of ongoing analysis of recent loss development trends. Original estimates are revised as additional information becomes available.

26) INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

27) STRUCTURED SETTLEMENTS

Not applicable

28) HEALTH CARE RECEIVABLES

Pharmacy rebate receivables are included in premiums and other receivables on the balance sheet. The amount of pharmacy rebates estimated, billed or otherwise collected for the last two years was as follows:

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

	Estimated pharmacy rebates as reported on financial Statements	Pharmacy rebates as billed or otherwise confirmed	Actual rebates received within 90 days of billing	Actual rebates received within 91 to 180 days of billing	Actual rebates received more than 180 days after billing
12/31/2021	\$ 230,420	\$ 99,944	\$ 3,388	\$ 106,253	\$ 7,978
9/30/2021	\$ 218,065	\$ 106,793	\$ 3,290	\$ 98,147	\$ 3,287
6/30/2021	\$ 209,160	\$ 94,222	\$ 3,290	\$ 93,807	\$ 671
3/31/2021	\$ 198,438	\$ 84,352	\$ 2,657	\$ 88,430	\$ 451
12/31/2020	\$ 187,828	\$ 78,845	\$ -	\$ 72,656	\$ 5,066
9/30/2020	\$ 173,071	\$ 68,537	\$ -	\$ 78,953	\$ 2,523
6/30/2020	\$ 179,256	\$ 74,822	\$ -	\$ 72,825	\$ 353
3/31/2020	\$ 152,591	\$ 65,043	\$ -	\$ 70,774	\$ 3,079

29) PARTICIPATING POLICIES

Not applicable

30) PREMIUM DEFICIENCY RESERVES

There was no premium deficiency reserve required at December 31, 2021 or 2020.

31) ANTICIPATED SALVAGE AND SUBROGATION

Salvage and subrogation amounts are not separately quantified or identified. Any actual recoveries are considered in the calculation of the outstanding claim liability.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No []
 If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] N/A []
- 1.3 State Regulating? New Jersey.....
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No []
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2020
- 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.12/31/2015
- 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).02/10/2017
- 3.4 By what department or departments? New Jersey Department of Banking and 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 []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No []
- 4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No []
- 4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
 If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No []
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,0.0 %
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

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

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the DIHC.

- 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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the reporting entity? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP, 5 Times Square, New York, NY 10036-6530.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain

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?
Kenny Kan (Vice President and Chief Actuary), Horizon BCBSNJ, 3 Penn Plaza East, Newark, NJ 07105-2248.....

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []
- Enterprise Property Holdings, LLC and Three Penn Plaza Property Holdings Urban Renewal, LLC.....
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved3
- 12.13 Total book/adjusted carrying value \$149,221,106

- 12.2 If yes, provide explanation
Reporting Entity has two wholly-owned entities that are real estate holding companies.....
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?
Reporting entity has two wholly-owned entities that are real estate holding companies.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [X] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:

- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|----------|
| | 20.11 To directors or other officers | \$.....0 |
| | 20.12 To stockholders not officers | \$.....0 |
| | 20.13 Trustees, supreme or grand (Fraternal only) | \$.....0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|----------|
| | 20.21 To directors or other officers | \$.....0 |
| | 20.22 To stockholders not officers | \$.....0 |
| | 20.23 Trustees, supreme or grand (Fraternal only) | \$.....0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|----------------------------|----------|
| | 21.21 Rented from others | \$.....0 |
| | 21.22 Borrowed from others | \$.....0 |
| | 21.23 Leased from others | \$.....0 |
| | 21.24 Other | \$.....0 |
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- | | | |
|--|--|------------------|
| | 22.21 Amount paid as losses or risk adjustment | \$.....1,101,823 |
| | 22.22 Amount paid as expenses | \$.....0 |
| | 22.23 Other amounts paid | \$.....0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

1 Name of Third-Party	2 Is the Third-Party Agent a Related Party (Yes/No)

INVESTMENT

- 25.01 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 25.03) Yes [X] No []

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information, relating thereto
- 25.03 For securities 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)
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$.....
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$.....
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] NA [X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] NA [X]
- 25.09 For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
 - 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
 - 25.093 Total payable for securities lending reported on the liability page \$.....0
- 26.1 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 24.1 and 25.03). Yes [X] No []
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$.....
 - 26.22 Subject to reverse repurchase agreements \$.....
 - 26.23 Subject to dollar repurchase agreements \$.....
 - 26.24 Subject to reverse dollar repurchase agreements \$.....
 - 26.25 Placed under option agreements \$.....
 - 26.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock \$.....
 - 26.27 FHLB Capital Stock \$.....604,700
 - 26.28 On deposit with states \$.....
 - 26.29 On deposit with other regulatory bodies \$.....
 - 26.30 Pledged as collateral – excluding collateral pledged to an FHLB \$.....
 - 26.31 Pledged as collateral to FHLB – including assets backing funding agreements \$.....392,217,530
 - 26.32 Other \$.....
- 26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. Yes [] No [] N/A [X]
- LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:
- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No [X]
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 Yes [] No [X]
 - 27.42 Permitted accounting practice Yes [] No [X]
 - 27.43 Other accounting guidance Yes [] No [X]
- 27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [] No [X]
- The reporting entity has obtained explicit approval from the domiciliary state.
 - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
 - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
 - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 28.1 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]
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$.....
29. 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 []
- 29.01 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
BNY Mellon.....	New York, NY.....
Wells Fargo, NA.....	San Francisco, CA.....
Citi Bank.....	New York, NY.....

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Horizon Healthcare Services, Inc.

GENERAL INTERROGATORIES

29.02 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)

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?

Yes [] No [X]

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

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

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

1 Name of Firm or Individual	2 Affiliation
Black Rock, Inc.....	U.....
Alliance Capital Mgmt.....	U.....
Prudential Investment Mgmt, Inc.....	U.....
TimesSquare Capital Management, LLC.....	U.....
PACIFIC INVESTMENT MANAGEMENT COMPANY LLC.....	U.....
Lazard Asset Management, LLC.....	U.....
Aegon Asset Management.....	U.....
Axiom Investors.....	U.....
Conner, Clark and Lunn Financial Group.....	U.....

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets?

Yes [] No [X]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity’s invested assets?

Yes [] No [X]

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107105.....	Black Rock, Inc.....	549300LVXY1VJKE13M84.....	SEC.....	NO.....
108477.....	Alliance Capital Mgmt.....	0JK55UGWSWNF3X7KLQ85.....	SEC.....	NO.....
105676.....	Prudential Investment Mgmt, Inc.....	5493009SX8QJBZY1GB87.....	SEC.....	
153456.....	TimesSquare Capital Management, LLC.....	N/A.....	SEC.....	
104559.....	PACIFIC INVESTMENT MANAGEMENT COMPANY LLC.....	549300KGPYQZXGMYYN38.....	SEC.....	NO.....
122836.....	Lazard Asset Management, LLC.....	P11BQ116K7EXV2Q96E20.....	SEC.....	
114537.....	Aegon Asset Management.....	4DJIF67XTB552LOE3L78.....	SEC.....	
109605.....	Axiom Investors.....	N/A.....	SEC.....	NO.....
	Conner, Clark & Lunn Financial Group.....	549300CNWH54BTXURM94.....	SEC.....	NO.....

30.1 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 [X] No []

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
30.2001 52106N-88-9.....	LAZARD EM FUND.....	
30.2002 00170K-72-9.....	TIMESQUARE SMALL CAP GROWTH FUND.....	
30.2003 02368A-20-8.....	ABF LARGE CAP VAL R5.....	
30.2004 24610B-81-8.....	DELAWARE GROUP EQUITY FDS V.....	
30.2005 315796-63-1.....	FIDELITY FREEDOM 2065 K.....	
30.2006 315794-69-3.....	FIDELITY FREEDOM 2060 K.....	
30.2007 315794-71-9.....	FIDELITY FREEDOM 2055 K.....	
30.2008 315794-72-7.....	FIDELITY FREEDOM 2050 K.....	
30.2009 315794-73-5.....	FIDELITY FREEDOM 2045 K.....	
30.2010 315794-74-3.....	FIDELITY FREEDOM 2040 K.....	
30.2011 315794-75-0.....	FIDELITY FREEDOM 2035 K.....	
30.2012 315794-76-8.....	FIDELITY FREEDOM 2030 K.....	
30.2013 315794-77-6.....	FIDELITY FREEDOM 2025 K.....	
30.2014 315794-78-4.....	FIDELITY FREEDOM 2020 K.....	
30.2015 315794-79-2.....	FIDELITY FREEDOM 2015 K.....	
30.2016 315794-81-8.....	FIDELITY FREEDOM 2010 K.....	
30.2017 315794-82-6.....	FIDELITY FREEDOM 2005 K.....	
30.2018 315794-83-4.....	FIDELITY FREEDOM INCM K.....	

GENERAL INTERROGATORIES

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
30.2019 315910-26-5	FIDELITY INTL DISCOVERY K	
30.2020 315910-50-5	FIDELITY WORLDWIDE FD	
30.2021 315911-69-3	FID TOT MKT IDX IPR	
30.2022 315911-72-7	FID INTL INDEX IPR	
30.2023 315911-74-3	FID EXT MKT IDX IPR	
30.2024 315911-75-0	FID 500 INDEX IPR	
30.2025 316071-70-3	FIDELITY CONTRAFUND INC K	
30.2026 316128-65-1	FIDELITY EQUITY INCOME K	
30.2027 316138-20-5	FIDELITY REAL ESTATE INVS FD	
30.2028 316146-35-6	FID US BOND IDX	
30.2029 316146-40-6	FIDELITY HIGH INCOME	
30.2030 316345-60-2	FIDELITY BALANCED K	
30.2031 31635T-10-4	FID INFL PR BD IDX	
30.2032 416529-80-8	HARTFORD SM CAP GROWTH FD - Y	
30.2033 55273W-47-5	MFS SER TR XI MD CP VALUE R5	
30.2034 57630A-59-2	MASSMUTUAL SELECT FDS SEL MC	
30.2035 63872R-57-4	LOOMIS CORE PL BD N	
30.2036 641233-20-0	NEUBERGER BERMAN GENESIS INSTL	
30.2999 TOTAL		0

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

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

GENERAL INTERROGATORIES

31. 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 (+)
31.1 Bonds.....	2,966,817,877	3,034,508,612	67,690,736
31.2 Preferred Stocks.....	1,773,950	1,788,735	14,785
31.3 Totals	2,968,591,826	3,036,297,347	67,705,520

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

The reporting entity used Interactive Data Corporation to value its securities.....

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

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

The reporting entity used Interactive Data Corporation to value its securities.....

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

33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

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

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

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

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

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

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliated then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a -37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [X] No [] NA []

GENERAL INTERROGATORIES

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$6,013,460

38.2 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
Blue Cross Blue Shield Association.....	\$.....2,932,528

39.1 Amount of payments for legal expenses, if any? \$6,432,984

39.2 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
White And Williams LLP.....	\$.....1,706,362

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

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

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
- 1.31 Reason for excluding
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$
- 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 lives0
- 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 lives0
- 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 lives0
- 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 lives0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$13,613,526,820		\$12,130,905,532
2.2	Premium Denominator	\$13,759,688,964		\$12,272,315,388
2.3	Premium Ratio (2.1/2.2)	.....0.989		.....0.988
2.4	Reserve Numerator	\$1,886,926,084		\$1,732,101,811
2.5	Reserve Denominator	\$1,877,586,084		\$1,724,637,811
2.6	Reserve Ratio (2.4/2.5)	.....1.005		.....1.004

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]
- 5.2 If no, explain:
The reporting entity is large enough to absorb any potential risks.
- 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:
Contracts with participating providers contain conventional hold harmless and completion of treatment provisions
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [] No [X]
- 7.2 If no, give details
The reporting entity utilizes actuarial triangles
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year108,442
- 8.2 Number of providers at end of reporting year117,343
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [X] No []
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months11,227,288
- 9.22 Business with rate guarantees over 36 months0

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]
- 10.2 If yes:
- | | | |
|--|---|----------|
| | 10.21 Maximum amount payable bonuses | \$.....0 |
| | 10.22 Amount actually paid for year bonuses | \$.....0 |
| | 10.23 Maximum amount payable withholds | \$.....0 |
| | 10.24 Amount actually paid for year withholds | \$.....0 |
- 11.1 Is the reporting entity organized as:
- | | | |
|--|---|------------------|
| | 11.12 A Medical Group/Staff Model, | Yes [] No [X] |
| | 11.13 An Individual Practice Association (IPA), or, | Yes [] No [X] |
| | 11.14 A Mixed Model (combination of above) ? | Yes [] No [X] |
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. New Jersey.....
- 11.4 If yes, show the amount required. \$.....997,791,430
- 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 RBC filing
12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
All 21 counties of the state of New Jersey.....

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

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

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded).
- | | |
|------------------------------|---------|
| 15.1 Direct Premium Written | \$..... |
| 15.2 Total Incurred Claims | \$..... |
| 15.3 Number of Covered Lives | ..... |

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

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] No [X]
- 16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No [X]

FIVE - YEAR HISTORICAL DATA

	1 2021	2 2020	3 2019	4 2018	5 2017
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	6,715,367,857	6,592,985,671	5,684,866,572	5,527,795,121	5,437,934,860
2. Total liabilities (Page 3, Line 24)	3,582,126,986	3,523,750,251	2,952,186,194	2,542,533,759	2,665,725,428
3. Statutory minimum capital and surplus requirement	997,791,430	841,980,126	825,752,385	886,032,860	872,207,596
4. Total capital and surplus (Page 3, Line 33)	3,133,240,870	3,069,235,420	2,732,680,378	2,985,261,367	2,772,209,433
Income Statement (Page 4)					
5. Total revenues (Line 8)	13,763,295,809	12,275,703,270	11,547,551,033	12,456,477,106	12,222,785,696
6. Total medical and hospital expenses (Line 18)	12,145,080,163	10,140,213,223	10,105,717,753	10,763,210,799	10,691,103,748
7. Claims adjustment expenses (Line 20)	342,422,343	375,185,928	344,960,254	286,400,721	294,133,728
8. Total administrative expenses (Line 21)	1,706,418,130	1,625,934,229	1,330,523,114	1,499,377,079	1,269,261,202
9. Net underwriting gain (loss) (Line 24)	(430,624,827)	134,369,890	(233,650,088)	(92,511,493)	(31,712,982)
10. Net investment gain (loss) (Line 27)	157,160,517	71,120,433	89,450,312	119,230,902	104,075,169
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	(224,888,560)	353,465,529	1,222,913	336,109,706	56,667,187
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	87,164,637	855,176,485	380,980,422	(235,824)	603,616,035
Risk-Based Capital Analysis					
14. Total adjusted capital	3,133,240,870	3,069,235,420	2,732,680,378	2,985,261,367	2,772,209,433
15. Authorized control level risk-based capital	498,895,715	420,990,063	414,141,418	443,016,430	436,103,798
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	1,231,226	1,196,755	1,238,975	1,256,354	1,371,189
17. Total members months (Column 6, Line 7)	15,076,425	14,793,648	14,898,941	15,570,280	16,547,934
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	88.2	82.6	87.5	86.4	87.5
20. Cost containment expenses	1.7	2.2	2.0	1.7	1.6
21. Other claims adjustment expenses	0.8	0.8	1.0	0.6	0.8
22. Total underwriting deductions (Line 23)	103.1	98.9	102.0	100.7	100.3
23. Total underwriting gain (loss) (Line 24)	(3.1)	1.1	(2.0)	(0.7)	(0.3)
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	1,205,025,068	989,006,823	883,977,456	1,003,561,374	908,293,541
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	1,275,840,492	1,009,441,755	933,496,441	1,011,719,596	604,457,212
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)	1,610,712,915	1,451,490,118	1,378,664,806	1,274,337,013	1,236,843,393
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	4,897,837	9,215,103	0	0	0
32. Total of above Lines 26 to 31	1,615,610,752	1,460,705,221	1,378,664,806	1,274,337,013	1,236,843,393
33. Total investment in parent included in Lines 26 to 31 above					

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

If no, please explain

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status (a)	Direct Business Only									
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Plan Premiums	7 Life & Annuity Premiums & Other Considerations	8 Property/Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1. Alabama	AL	.N								0	.0
2. Alaska	AK	.N								0	.0
3. Arizona	AZ	.N								0	.0
4. Arkansas	AR	.N								0	.0
5. California	CA	.N								0	.0
6. Colorado	CO	.N								0	.0
7. Connecticut	CT	.N								0	.0
8. Delaware	DE	.N								0	.0
9. District of Columbia	DC	.N								0	.0
10. Florida	FL	.N								0	.0
11. Georgia	GA	.N								0	.0
12. Hawaii	HI	.N								0	.0
13. Idaho	ID	.N								0	.0
14. Illinois	IL	.N								0	.0
15. Indiana	IN	.N								0	.0
16. Iowa	IA	.N								0	.0
17. Kansas	KS	.N								0	.0
18. Kentucky	KY	.N								0	.0
19. Louisiana	LA	.N								0	.0
20. Maine	ME	.N								0	.0
21. Maryland	MD	.N								0	.0
22. Massachusetts	MA	.N								0	.0
23. Michigan	MI	.N								0	.0
24. Minnesota	MN	.N								0	.0
25. Mississippi	MS	.N								0	.0
26. Missouri	MO	.N								0	.0
27. Montana	MT	.N								0	.0
28. Nebraska	NE	.N								0	.0
29. Nevada	NV	.N								0	.0
30. New Hampshire	NH	.N								0	.0
31. New Jersey	NJ	L	5,430,005,023	0	0	0	1,036,848,560	0		6,466,853,583	.0
32. New Mexico	NM	.N								0	.0
33. New York	NY	.N								0	.0
34. North Carolina	NC	.N								0	.0
35. North Dakota	ND	.N								0	.0
36. Ohio	OH	.N								0	.0
37. Oklahoma	OK	.N								0	.0
38. Oregon	OR	.N								0	.0
39. Pennsylvania	PA	.N								0	.0
40. Rhode Island	RI	.N								0	.0
41. South Carolina	SC	.N								0	.0
42. South Dakota	SD	.N								0	.0
43. Tennessee	TN	.N								0	.0
44. Texas	TX	.N								0	.0
45. Utah	UT	.N								0	.0
46. Vermont	VT	.N								0	.0
47. Virginia	VA	.N								0	.0
48. Washington	WA	.N								0	.0
49. West Virginia	WV	.N								0	.0
50. Wisconsin	WI	.N								0	.0
51. Wyoming	WY	.N								0	.0
52. American Samoa	AS	.N								0	.0
53. Guam	GU	.N								0	.0
54. Puerto Rico	PR	.N								0	.0
55. U.S. Virgin Islands	VI	.N								0	.0
56. Northern Mariana Islands	MP	.N								0	.0
57. Canada	CAN	.N								0	.0
58. Aggregate other alien	OT	.XXX	0	0	0	0	0	0	0	0	.0
59. Subtotal	.XXX	5,430,005,023	0	0	0	0	1,036,848,560	0	0	6,466,853,583	.0
60. Reporting entity contributions for Employee Benefit Plans	.XXX									0	.0
61. Total (Direct Business)	.XXX	5,430,005,023	0	0	0	0	1,036,848,560	0	0	6,466,853,583	0
DETAILS OF WRITE-INS											
58001.	.XXX										
58002.	.XXX										
58003.	.XXX										
58998. Summary of remaining write-ins for Line 58 from overflow page	.XXX	0	0	0	0	0	0	0	0	0	.0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	.XXX	0	0	0	0	0	0	0	0	0	.0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 1 R – Registered – Non-domiciled RRGs 0
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state 0 Q – Qualified – Qualified or accredited reinsurer 0
 N – None of the above – Not allowed to write business in the state lines in the state 56

(b) Explanation of basis of allocation of premiums by states, etc.

Situs of contract

NAIC#	Federal Employee #	
-----	-----	
55069	22-0999690	A. Horizon Healthcare Services, Inc. (1)
	22-2561496	B. Horizon Healthcare Plan Holding Company, Inc.
95529	22-2651245	1. Horizon Healthcare of New Jersey, Inc. (2)
11146	22-3331515	2. Horizon Healthcare Dental, Inc. (3)
	22-3346524	3. Horizon Casualty Services, Inc.
14690	46-1362174	4. Horizon Insurance Company (4)
	86-1229594	5. Greenwood Insurance Company, Inc. (6)
	13-4290405	C. Enterprise Property Holdings, LLC
	27-1179993	D. Three Penn Plaza Property Holdings Urban Renewal, LLC
	20-0252405	E. Horizon Charitable Foundation, Inc.
	46-2605607	F. Multistate Professional Services, Inc.
	47-4428396	G. Multistate Investment Services, Inc.
	84-2280217	H. NJ Collaborative Care, LLC (50.00%)
16714	84-3673030	1. Healthier New Jersey Insurance Company, d/b/a Braven Health (5)

- (1) Horizon Healthcare Services, Inc., a New Jersey domestic health service corporation, d/b/a Horizon Blue Cross Blue Shield of New Jersey.
- (2) Horizon Healthcare of New Jersey, Inc., a New Jersey domestic health maintenance organization.
- (3) Horizon Healthcare Dental, Inc., a New Jersey domestic dental plan organization.
- (4) Horizon Insurance Company, a New Jersey domestic Life, Accident and Health Organization
- (5) Healthier New Jersey Insurance Company, d/b/a/ Braven Health, a New Jersey a domestic Life, Accident and Health Organization
- (6) Greenwood Insurance Company, Inc. is a New Jersey captive insurance company