

**QUARTERLY STATEMENT
OF THE
NEW MEXICO HEALTH CONNECTIONS**

**of
Albuquerque
in the state of
New Mexico**

**TO THE
Insurance Department
OF THE STATE OF
New Mexico**

**FOR THE QUARTER ENDED
MARCH 31, 2020**

2020



15011202020100101

2020

Document Code: 201

QUARTERLY STATEMENT
AS OF MARCH 31, 2020
OF THE CONDITION AND AFFAIRS OF THE
NEW MEXICO HEALTH CONNECTIONS

NAIC Group Code 0000, NAIC Company Code 15011, Employer's ID Number 45-1294709
Organized under the Laws of New Mexico, State of Domicile or Port of Entry NM
Country of Domicile United States of America
Licensed as business type: Life, Accident & Health, Property/Casualty, Hospital, Medical & Dental Service or Indemnity
Incorporated/Organized 09/05/2011, Commenced Business 09/05/2011
Statutory Home Office 6001 Indian School Road NE Suite 150, Albuquerque, NM, US 87110
Main Administrative Office 6001 Indian School Road NE Suite 150, Albuquerque, NM, US 87110
Mail Address 6001 Indian School Road NE Suite 150, Albuquerque, NM, US 87110
Primary Location of Books and Records 6001 Indian School Road NE Suite 150, Albuquerque, NM, US 87110
Internet Web Site Address WWW.MYNMHC.ORG
Statutory Statement Contact Marilyn Louise Rippie, marilyn.rippie@mynmhc.org

OFFICERS

Table with 2 columns: Name, Title. Includes Marlene Christina Baca (President/Chief Executive Officer), James R Tryon MD (Secretary), Margaret Gunter Phd (Treasurer), Marilyn Louise Rippie (Chief Financial Officer).

OTHERS

DIRECTORS OR TRUSTEES

Dennis Michael Litos, James R Tryon MD, Marie Elena Alvarez, Margaret Gunter Phd, Mark Unverzagt MD

State of New Mexico
County of Bernalillo ss

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

Signature lines for Marlene Christina Baca, Marilyn Louise Rippie, and an empty line. Includes printed names and titles.

Subscribed and sworn to before me this day of , 2020

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

Yes[X] No[]

(Notary Public Signature)

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|----------------------------|--|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 2,503,243 | | 2,503,243 | 3,190,233 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | | | | |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances) | | | | |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances) | | | | |
| 4.3 Properties held for sale (less \$.....0 encumbrances) | | | | |
| 5. Cash (\$.....3,952,551), cash equivalents (\$.....193,994) and short-term investments (\$.....0) | 4,146,545 | | 4,146,545 | 4,799,974 |
| 6. Contract loans (including \$.....0 premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | | | | |
| 9. Receivables for securities | | | | |
| 10. Securities lending reinvested collateral assets | | | | |
| 11. Aggregate write-ins for invested assets | | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 6,649,788 | | 6,649,788 | 7,990,207 |
| 13. Title plants less \$.....0 charged off (for Title insurers only) | | | | |
| 14. Investment income due and accrued | 9,579 | | 9,579 | 12,755 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 3,166,054 | | 3,166,054 | 296,898 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) | | | | |
| 15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....8,658,946) | 8,658,946 | | 8,658,946 | 7,437,209 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 20,036,479 | | 20,036,479 | 7,755,711 |
| 16.2 Funds held by or deposited with reinsured companies | | | | |
| 16.3 Other amounts receivable under reinsurance contracts | | | | |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 Net deferred tax asset | | | | |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | 28,457 | | 28,457 | 31,285 |
| 21. Furniture and equipment, including health care delivery assets (\$.....0) | 16,306 | 16,306 | | |
| 22. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | | | | |
| 24. Health care (\$.....1,252,619) and other amounts receivable | 1,541,820 | 289,201 | 1,252,619 | 1,492,196 |
| 25. Aggregate write-ins for other-than-invested assets | 1,650,550 | 44,490 | 1,606,060 | |
| 26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 41,757,979 | 349,997 | 41,407,982 | 25,016,261 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. TOTAL (Lines 26 and 27) | 41,757,979 | 349,997 | 41,407,982 | 25,016,261 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | | | | |
| 1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) | | | | |
| 2501. Prepaid Expenses | 44,490 | 44,490 | | |
| 2502. Other Receivables | 1,606,060 | | 1,606,060 | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | | | |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | 1,650,550 | 44,490 | 1,606,060 | |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|--|----------------|----------------|--------------|--------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$.....13,639,171 reinsurance ceded) | 2,385,585 | | 2,385,585 | 10,245,898 |
| 2. Accrued medical incentive pool and bonus amounts | 13,000 | | 13,000 | 481,750 |
| 3. Unpaid claims adjustment expenses | 408,707 | | 408,707 | 408,707 |
| 4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act | | | | 343,349 |
| 5. Aggregate life policy reserves | | | | |
| 6. Property/casualty unearned premium reserve | | | | |
| 7. Aggregate health claim reserves | | | | |
| 8. Premiums received in advance | 3,750,811 | | 3,750,811 | 1,618,973 |
| 9. General expenses due or accrued | 2,273,081 | | 2,273,081 | 2,308,549 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses)) | | | | |
| 10.2 Net deferred tax liability | | | | |
| 11. Ceded reinsurance premiums payable | 29,935,346 | | 29,935,346 | 7,565,725 |
| 12. Amounts withheld or retained for the account of others | | | | |
| 13. Remittances and items not allocated | | | | |
| 14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current) | | | | |
| 15. Amounts due to parent, subsidiaries and affiliates | | | | |
| 16. Derivatives | | | | |
| 17. Payable for securities | | | | |
| 18. Payable for securities lending | | | | |
| 19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) | | | | |
| 20. Reinsurance in unauthorized and certified (\$.....0) companies | | | | |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 22. Liability for amounts held under uninsured plans | | | | |
| 23. Aggregate write-ins for other liabilities (including \$.....0 current) | | | | |
| 24. Total liabilities (Lines 1 to 23) | 38,766,530 | | 38,766,530 | 22,972,951 |
| 25. Aggregate write-ins for special surplus funds | X X X | X X X | | 699,485 |
| 26. Common capital stock | X X X | X X X | | |
| 27. Preferred capital stock | X X X | X X X | | |
| 28. Gross paid in and contributed surplus | X X X | X X X | 1,000 | 1,000 |
| 29. Surplus notes | X X X | X X X | 77,317,782 | 77,317,782 |
| 30. Aggregate write-ins for other-than-special surplus funds | X X X | X X X | | |
| 31. Unassigned funds (surplus) | X X X | X X X | (74,677,328) | (75,974,957) |
| 32. Less treasury stock, at cost: | | | | |
| 32.10 shares common (value included in Line 26 \$.....0) | X X X | X X X | | |
| 32.20 shares preferred (value included in Line 27 \$.....0) | X X X | X X X | | |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32) | X X X | X X X | 2,641,454 | 2,043,310 |
| 34. Total Liabilities, capital and surplus (Lines 24 and 33) | X X X | X X X | 41,407,984 | 25,016,261 |
| DETAILS OF WRITE-INS | | | | |
| 2301. | | | | |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | | | | |
| 2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) | | | | |
| 2501. 9010 Fee Estimate | X X X | X X X | | 699,485 |
| 2502. | X X X | X X X | | |
| 2503. | X X X | X X X | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | X X X | X X X | | |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | X X X | X X X | | 699,485 |
| 3001. | X X X | X X X | | |
| 3002. | X X X | X X X | | |
| 3003. | X X X | X X X | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | X X X | X X X | | |
| 3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) | X X X | X X X | | |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|---|----------------------|------------|--------------------|------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member Months | X X X | 45,236 | 57,039 | 211,263 |
| 2. Net premium income (including \$.....0 non-health premium income) | X X X | | 3,655,745 | 20,929,175 |
| 3. Change in unearned premium reserves and reserves for rate credits | X X X | | | |
| 4. Fee-for-service (net of \$.....0 medical expenses) | X X X | | | |
| 5. Risk revenue | X X X | | | |
| 6. Aggregate write-ins for other health care related revenues | X X X | | | |
| 7. Aggregate write-ins for other non-health revenues | X X X | | | |
| 8. Total revenues (Lines 2 to 7) | X X X | | 3,655,745 | 20,929,175 |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits | | 12,514,959 | 16,148,280 | 62,575,194 |
| 10. Other professional services | | 3,277 | 33,210 | 128,407 |
| 11. Outside referrals | | | | |
| 12. Emergency room and out-of-area | | 1,891,360 | 1,923,333 | 9,258,026 |
| 13. Prescription drugs | | 4,675,886 | 4,467,946 | 21,819,367 |
| 14. Aggregate write-ins for other hospital and medical | | | | |
| 15. Incentive pool, withhold adjustments and bonus amounts | | | | (359,410) |
| 16. Subtotal (Lines 9 to 15) | | 19,085,482 | 22,572,769 | 93,421,584 |
| Less: | | | | |
| 17. Net reinsurance recoveries | | 19,085,482 | 20,579,572 | 79,970,849 |
| 18. Total hospital and medical (Lines 16 minus 17) | | | 1,993,197 | 13,450,735 |
| 19. Non-health claims (net) | | | | |
| 20. Claims adjustment expenses, including \$.....0 cost containment expenses | | (13,085) | 1,547,507 | 5,897,197 |
| 21. General administrative expenses | | 17,134 | 129,838 | 1,316,936 |
| 22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) | | | | |
| 23. Total underwriting deductions (Lines 18 through 22) | | 4,049 | 3,670,542 | 20,664,868 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | X X X | (4,049) | (14,797) | 264,307 |
| 25. Net investment income earned | | 9,187 | 48,531 | 154,074 |
| 26. Net realized capital gains (losses) less capital gains tax of \$.....0 | | | | 20,723 |
| 27. Net investment gains or (losses) (Lines 25 plus 26) | | 9,187 | 48,531 | 174,797 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] | | | | |
| 29. Aggregate write-ins for other income or expenses | | | | |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) | X X X | 5,138 | 33,734 | 439,104 |
| 31. Federal and foreign income taxes incurred | X X X | | | |
| 32. Net income (loss) (Lines 30 minus 31) | X X X | 5,138 | 33,734 | 439,104 |
| DETAILS OF WRITE-INS | | | | |
| 0601. | X X X | | | |
| 0602. | X X X | | | |
| 0603. | X X X | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | X X X | | | |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) | X X X | | | |
| 0701. | X X X | | | |
| 0702. | X X X | | | |
| 0703. | X X X | | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | X X X | | | |
| 0799. TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above) | X X X | | | |
| 1401. | | | | |
| 1402. | | | | |
| 1403. | | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | | | | |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) | | | | |
| 2901. | | | | |
| 2902. | | | | |
| 2903. | | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | | | | |
| 2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) | | | | |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 | 2 | 3 |
|--|-------------------------|-----------------------|------------------------------------|
| | Current Year To Date | Prior Year To Date | Prior Year Ended December 31 |
| CAPITAL & SURPLUS ACCOUNT | | | |
| 33. Capital and surplus prior reporting year | 2,043,312 | 1,472,511 | 1,472,511 |
| 34. Net income or (loss) from Line 32 | 5,138 | 33,734 | 439,104 |
| 35. Change in valuation basis of aggregate policy and claim reserves | | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 | | | |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | | |
| 38. Change in net deferred income tax | | | |
| 39. Change in nonadmitted assets | 593,007 | (17,676) | 131,697 |
| 40. Change in unauthorized and certified reinsurance | | | |
| 41. Change in treasury stock | | | |
| 42. Change in surplus notes | | | |
| 43. Cumulative effect of changes in accounting principles | | | |
| 44. Capital Changes: | | | |
| 44.1 Paid in | | | |
| 44.2 Transferred from surplus (Stock Dividend) | | | |
| 44.3 Transferred to surplus | | | |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in | | | |
| 45.2 Transferred to capital (Stock Dividend) | | | |
| 45.3 Transferred from capital | | | |
| 46. Dividends to stockholders | | | |
| 47. Aggregate write-ins for gains or (losses) in surplus | | | |
| 48. Net change in capital and surplus (Lines 34 to 47) | 598,145 | 16,058 | 570,801 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 2,641,457 | 1,488,569 | 2,043,312 |
| DETAILS OF WRITE-INS | | | |
| 4701. | | | |
| 4702. | | | |
| 4703. | | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | | | |
| 4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) | | | |

STATEMENT AS OF **March 31, 2020** OF THE **NEW MEXICO HEALTH CONNECTIONS**
CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|---------------------------------|-------------------------------|---|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 20,067,217 | (822,509) | (2,458,393) |
| 2. Net investment income | 22,069 | 53,727 | 194,122 |
| 3. Miscellaneous income | | | |
| 4. TOTAL (Lines 1 to 3) | 20,089,286 | (768,782) | (2,264,271) |
| 5. Benefit and loss related payments | 19,890,426 | 994,337 | (4,686,868) |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 39,517 | (2,746,510) | 8,569,400 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) | | | |
| 10. TOTAL (Lines 5 through 9) | 19,929,943 | (1,752,173) | 3,882,532 |
| 11. Net cash from operations (Line 4 minus Line 10) | 159,343 | 983,391 | (6,146,803) |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 677,284 | 1,212,865 | 6,248,797 |
| 12.2 Stocks | | | |
| 12.3 Mortgage loans | | | |
| 12.4 Real estate | | | |
| 12.5 Other invested assets | | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | | | |
| 12.7 Miscellaneous proceeds | | | 904 |
| 12.8 TOTAL investment proceeds (Lines 12.1 to 12.7) | 677,284 | 1,212,865 | 6,249,701 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | | 247,080 | 496,872 |
| 13.2 Stocks | | | |
| 13.3 Mortgage loans | | | |
| 13.4 Real estate | | | |
| 13.5 Other invested assets | | | |
| 13.6 Miscellaneous applications | | | |
| 13.7 TOTAL investments acquired (Lines 13.1 to 13.6) | | 247,080 | 496,872 |
| 14. Net increase (or decrease) in contract loans and premium notes | | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | 677,284 | 965,785 | 5,752,829 |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | | | |
| 16.2 Capital and paid in surplus, less treasury stock | | | |
| 16.3 Borrowed funds | | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | | |
| 16.5 Dividends to stockholders | | | |
| 16.6 Other cash provided (applied) | (1,490,054) | 366,041 | 610,623 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | (1,490,054) | 366,041 | 610,623 |
| 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) | (653,427) | 2,315,217 | 216,649 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 4,799,975 | 4,583,326 | 4,583,326 |
| 19.2 End of period (Line 18 plus Line 19.1) | 4,146,548 | 6,898,543 | 4,799,975 |

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

| | | | | |
|---------|--|--|--|--|
| 20.0001 | | | | |
|---------|--|--|--|--|

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefits Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Other |
|---|------------|------------------------------------|------------|--------------------------|------------------|------------------|---|---------------------------|-------------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | |
| Total Members at end of: | | | | | | | | | | |
| 1. Prior Year | 16,808 | 16,808 | | | | | | | | |
| 2. First Quarter | 14,731 | 14,731 | | | | | | | | |
| 3. Second Quarter | | | | | | | | | | |
| 4. Third Quarter | | | | | | | | | | |
| 5. Current Year | | | | | | | | | | |
| 6. Current Year Member Months | 45,236 | 45,236 | | | | | | | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | |
| 7. Physician | 35,982 | 35,982 | | | | | | | | |
| 8. Non-Physician | | | | | | | | | | |
| 9. Total | 35,982 | 35,982 | | | | | | | | |
| 10. Hospital Patient Days Incurred | 700 | 700 | | | | | | | | |
| 11. Number of Inpatient Admissions | 108 | 108 | | | | | | | | |
| 12. Health Premiums Written (a) | 24,334,206 | 24,334,206 | | | | | | | | |
| 13. Life Premiums Direct | | | | | | | | | | |
| 14. Property/Casualty Premiums Written | | | | | | | | | | |
| 15. Health Premiums Earned | 24,334,206 | 24,334,206 | | | | | | | | |
| 16. Property/Casualty Premiums Earned | | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services | 13,055,969 | 13,055,969 | | | | | | | | |
| 18. Amount Incurred for Provision of Health Care Services | 19,085,481 | 19,085,481 | | | | | | | | |

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

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

| 1 Account | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 91 - 120 days | 6 Over 120 Days | 7 Total |
|--|------------------|-------------------|-------------------|--------------------|--------------------|------------|
| Claims unpaid (Reported) | | | | | | |
| Pharmacy | 2,249,363 | | | | | 2,249,363 |
| 0199999 Individually Listed Claims Unpaid | 2,249,363 | | | | | 2,249,363 |
| 0299999 Aggregate Accounts Not Individually Listed - Uncovered | | | | | | |
| 0399999 Aggregate Accounts Not Individually Listed - Covered | 5,455,930 | 775,512 | 11,785 | | | 6,243,227 |
| 0499999 Subtotals | 7,705,293 | 775,512 | 11,785 | | | 8,492,590 |
| 0599999 Unreported claims and other claim reserves | | | | | | 7,532,166 |
| 0699999 Total Amounts Withheld | | | | | | |
| 0799999 Total Claims Unpaid | | | | | | 16,024,756 |
| 0899999 Accrued Medical Incentive Pool And Bonus Amounts | | | | | | 13,000 |

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

| | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 | 6 |
|---|--------------------------|---|------------------------------------|---------------------------------------|--|--|
| | 1 | 2 | 3 | 4 | Claims Incurred in Prior Years (Columns 1+3) | Estimated Claim Reserve and Claim Liability Dec 31 of Prior Year |
| | Line of Business | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid Dec 31 of Prior Year | | |
| 1. Comprehensive (hospital & medical) | 7,140,909 | | 2,385,585 | | 9,526,494 | 10,245,898 |
| 2. Medicare Supplement | | | | | | |
| 3. Dental only | | | | | | |
| 4. Vision only | | | | | | |
| 5. Federal Employees Health Benefits Plan | | | | | | |
| 6. Title XVIII - Medicare | | | | | | |
| 7. Title XIX - Medicaid | | | | | | |
| 8. Other health | | | | | | |
| 9. Health subtotal (Lines 1 to 8) | 7,140,909 | | 2,385,585 | | 9,526,494 | 10,245,898 |
| 10. Healthcare receivables (a) | 1,541,820 | | | | 1,541,820 | 2,261,225 |
| 11. Other non-health | | | | | | |
| 12. Medical incentive pools and bonus amounts | 468,750 | | 13,000 | | 481,750 | 481,750 |
| 13. Totals (Lines 9 - 10 + 11 + 12) | 6,067,839 | | 2,398,585 | | 8,466,424 | 8,466,423 |

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

Notes to Financial Statement

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of New Mexico Health Connections (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the state of New Mexico for determining and reporting the financial conditions and results of operation of an insurance company for determining its solvency under New Mexico Insurance law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of New Mexico.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of New Mexico is shown below:

| | | SSAP# | F/S Page | F/S Line# | 2020 | 2019 |
|-------------------|---|-------|-------------|--------------|-----------|-----------|
| <u>NET INCOME</u> | | | | | | |
| (1) | State basis (Page 4, Line 32, Columns 2 & 3) | XXX | XXX | XXX | 5,138 | 439,102 |
| (2) | State Prescribed Practices that increase/(decrease) NAIC SAP: | | | | | |
| (201) | | | | | | |
| (299) | Total | | | | | |
| (3) | State Permitted Practices that increase/(decrease) NAIC SAP: | | | | | |
| (301) | | | | | | |
| (399) | Total | | | | | |
| (4) | NAIC SAP (1-2-3=4) | XXX | XXX | XXX | 5,138 | 439,102 |
| <u>SURPLUS</u> | | | | | | |
| (5) | State basis (Page 3, Line 33, Columns 3 & 4) | XXX | XXX | XXX | 2,641,454 | 2,043,309 |
| (6) | State Prescribed Practices that increase/(decrease) NAIC SAP: | | | | | |
| (601) | | | | | | |
| (699) | Total | | | | | |
| (7) | State Permitted Practices that increase/(decrease) NAIC SAP: | | | | | |
| (701) | Rx Compliance Audit | 04,09 | 2 | 24 | 0 | 79,000 |
| (799) | Total | | | | 0 | 79,000 |
| (8) | NAIC SAP (5-6-7=8) | XXX | XXX | XXX | 2,641,454 | 1,964,309 |

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

No Material Change

C. Accounting Policy

(1) –No Material Change

(2)- Bonds are recorded at amortized cost. The company has no mandatory convertible securities or SVO-identified bond ETFs

(3) – (5) No Material Change

(6) Loan Backed Securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities where the yield had become negative, that are valued using the prospective method.

Notes to Financial Statement

(7) – (13) No Material Change

D. Going Concern

New Mexico Health Connections received a favorable Risk Adjustment in 2019 related to the 2018 Risk Adjustment year, this transaction had a positive outcome, in addition the projected Risk Adjustment for 2020 related to 2019 will also be positive. The Company will continue to manage its medical costs and continues to implement cost saving initiatives. Company leadership continues to actively monitor the performance of the company, capital and surplus balances with the intention of continuing operations.

2. Accounting Changes and Corrections of Errors

No Material change

3. Business Combinations and Goodwill

- a. Statutory Purchase Method – No Material Change
- b. Statutory Merger – No Material Change
- c. Assumption Reinsurance – No Material Change
- d. Impairment Loss – No Material Change

4. Discontinued Operations

No Material Change

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - No Material Change
- B. Debt Restructuring - No Material Change
- C. Reverse Mortgages - No Material Change
- D. Loan-Backed Securities

- (1) Prepayment assumptions are obtained from Bloomberg market data and the Company's investment manager's internal estimates
- (2) OTTI recognized 4th quarter – None
- (3) Recognized OTTI by CUSIP – None
- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains: - None
- 5) Additional considerations – None

- E. Dollar Repurchase Agreements and/or Security Lending Transactions – None
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing – None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing – None
- H. Repurchase Agreements Transactions Accounted for as a Sale – None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - None
- J. Real Estate – No Material Change
- K. Low-income housing tax credits (LIHTC) – No Material Change
- L. Restricted Assets (Including Pledged) – No Material Change
- M. Working Capital Finance Investments - None
- N. Offsetting and Netting of Assets and Liabilities – None
- O. 5GI Securities – No Material Change
- P. Short Sales – No Material Change

Notes to Financial Statement

Q. Prepayment Penalty and Accelerated Fees – No Material Change

6. Joint Ventures, Partnerships and Limited Liability Companies

No Material Change

7. Investment Income

No Material Change

8. Derivative Instruments

None

9. Income Taxes

No Material Change

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

No Material Change

11. Debt

A. No Material Change

B. The CO-OP has no FHLB (Federal Home Loan Bank) agreements.

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

A. Defined Benefit Plan

(1) Change in benefit obligation - No Material Change

(2) Change in plan assets- No Material Change

(3) Funded status - No Material Change

(4) Components of net periodic benefit cost – None

(5) The amount included in unassigned funds (surplus) for the period arising from a change in the additional minimum pension liability recognized - No Material Change

(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost - No Material Change

(7) Amounts in unassigned funds (surplus) that have not been recognized as components of net periodic benefit cost - No Material Change

(8) Weighted-average assumptions used to determine net period benefit cost - No Material Change

(9) The amount of accumulated benefit obligation for defined benefit pension plans - No Material Change

(10) – (11) The defined benefit pension plan asset allocation as of the measurement date, and the target asset allocation, presented as a percentage of total plan assets - No Material Change

(12) Estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years - No Material Change

(13) Regulatory contribution requirements - No Material Change

(14) – (21) No Material Change

B. Description of Investment Policies and Strategies for Each Class of Plan Assets – No Material Change

C. Fair Value Measurement of Plan Assets at Reporting Date – No Material Change

Notes to Financial Statement

D. Description of the basis used to determine the overall expected long-term rate of return on assets assumption – No Material Change

E. Defined Contribution Plan – No Material Change

F. Multi-Employer Plan – No Material Change

G. Consolidated/Holding Company Plans – No Material Change

H. Post-Employment Benefits and Compensated Absences – No Material Change

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) – No Material Change

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

No Material Change

14. Liabilities, Contingencies and Assessments

No Material Change

15. Leases

A. Lessee Operating Lease

No Material Change

B. Lessor Leases

No Material Change

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

No Material Change

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

A. Transfers of Receivables reported as Sales – No Material Change

B. Transfer and Servicing of Financial Assets - None

C. Wash Sales – None

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

No Material Change.

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

No Material Change.

20. Fair Value Measurements

A. The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The hierarchy gives the highest priority to fair values determined using unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to fair values determined using unobservable inputs (Level 3). An asset's or liability's classification is determined based on the lowest level input that is significant to its measurement.

For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level3). The levels of the fair value hierarchy are as follows:

Level 1: Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

Notes to Financial Statement

Level 2: Inputs are other than quoted prices included in level 1 that are observable for the asset or liability through corroboration with market data at the measurement date.

Level 3: Inputs are unobservable and reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

Fair value of actively traded fixed-income and equity securities is based on quoted market prices. Fair value of inactively traded fixed-income securities is based on quoted market prices of identical or similar securities based on observable inputs like interest rates using a market valuation approach is generally classified as Level 2. Investments measured based on the practical expedient being net asset value (NAV), based on the NAV of the fund as provided for in the audited financial statements and other fund reporting, are generally classified as Level 3.

(1) Fair Market Value at Reporting Date

| Description for Each Class of Asset or Liability | (Level 1) | (Level 2) | (Level 3) | Net Asset Value(NAV) | Total |
|--|-----------|-----------|-----------|----------------------|---------|
| Assets at Fair Value | | | | | |
| Cash Equivalents | 193,994 | | | | 193,994 |
| Subtotal | 193,994 | | | | 193,994 |

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

(3) The Company evaluates and recognizes when transfers between levels are needed at the end of the reporting period

(4) a & b & c - There are no fair value measurements categorized within Level 3 of the fair value hierarchy

(5) Derivative assets and liabilities - None

B. Fair Value information under SSAP No. 100 combined with Fair Value information Under Other Accounting Pronouncements – None

C. Aggregate Fair Value of All Financial Instruments

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Net Asset Value(NAV) | Not Practicable (Carrying Value) |
|------------------------------|----------------------|-----------------|------------|-------------|-----------|----------------------|----------------------------------|
| Bonds | \$2,514,031 | \$2,503,242 | \$ 419,097 | \$2,094,934 | | | |
| Cash Equivalents | \$ 193,994 | \$ 193,994 | \$ 193,994 | | | | |

D. Not Practicable to Estimate Fair Value – None

E. Investments valued at NAV - None

21. Other Items

a. Unusual or Infrequent Items – No Material Change

b. Troubled Debt Restructuring – No Material Change

c. Other Disclosures - No Material Change

d. Business Interruption Insurance Recoveries - No Material Change

e. State Transferable Tax Credits - No Material Change

f. Subprime Related Risk Exposure – No Material Change

g. Retained Assets – No Material Change

h. Insurance Linked Securities – No Material Change

Notes to Financial Statement

i. Amount that Could be Realized on Life Insurance where reporting entity is Owner and Beneficiary or Has Otherwise obtained Rights to Control Policy – No Material Change

22. Events Subsequent

Type I - Recognized Subsequent Events

No Material Change

Type II – Non-recognized Subsequent Events

No Material Change

23. Reinsurance

No Material Change

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A – C No Material Change

D - Medical loss ratio rebates required pursuant to the Public Health Service Act. - No Material Change

Notes to Financial Statement

E (1) Did the reporting entity write Accident and Health insurance premiums that is subject to Affordable Care Act risk-sharing provisions (Yes/No)? Yes

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

| | | AMOUNT |
|----|---------------------------------------|---|
| a. | Permanent ACA Risk Adjustment Program | |
| | Assets | |
| | 1. | Premium adjustments receivable due to ACA Risk Adjustment \$ 8,658,946 |
| | Liabilities | |
| | 2. | Risk adjustment user fees payable for ACA Risk Adjustment \$ 36,664 |
| | 3. | Premium adjustments payable due to ACA Risk Adjustment \$ 0 |
| | Operations (Revenue & Expense) | |
| | 4. | Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment \$1,221,737 |
| | 5. | Reported in expenses as ACA risk adjustment user fees (incurred/paid) \$6,258 |
| b. | Transitional ACA Reinsurance Program | |
| | Assets | |
| | 1. | Amounts recoverable for claims paid due to ACA Reinsurance \$0 |
| | 2. | Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) \$0 |
| | 3. | Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance \$0 |
| | Liabilities | |
| | 4. | Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium \$0 |
| | 5. | Ceded reinsurance premiums payable due to ACA Reinsurance \$0 |
| | 6. | Liability for amounts held under uninsured plans contributions for ACA Reinsurance \$0 |
| | Operations (Revenue & Expense) | |
| | 7. | Ceded reinsurance premiums due to ACA Reinsurance \$0 |
| | 8. | Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments \$0 |
| | 9. | ACA Reinsurance Contributions - not reported as ceded premium \$0 |
| c. | Temporary ACA Risk Corridors Program | |
| | Assets | |
| | 1. | Accrued retrospective premium due to ACA Risk Corridors |
| | Liabilities | |
| | 2. | Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors \$0 |
| | Operations (Revenue & Expense) | |
| | 3. | Effect of ACA Risk Corridors on net premium income (paid/received) \$0 |
| | 4. | Effect of ACA Risk Corridors on change in reserves for rate credits \$0 |

The Company does not have any self-insured business that would require disclosure of any uninsured plans contributions within the Transitional Reinsurance Program.

Notes to Financial Statement

3) Roll-forward of prior year ACA risk-sharing provisions for the following asset and liability balances, along with the reasons for adjustments to prior year balance

| | Accrued During the Prior Year on Business Written Before December 31 of the Prior Year | | Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year | | Differences | | Adjustments | | | Unsettled Balances as of the Reporting Date | |
|---|--|-----------|--|-----------|--|--|------------------------|------------------------|-----|---|---|
| | 1 | 2 | 3 | 4 | Prior Year Accrued Less Payments (Col 1-3) | Prior Year Accrued Less Payments (Col 2-4) | To Prior Year Balances | To Prior Year Balances | Ref | Cumulative Balance from Prior Years (Col 1-3+7) | Cumulative Balance from Prior Years (Col 2-4+8) |
| | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | Receivable | (Payable) | | Receivable | (Payable) |
| a. Permanent ACA Risk Adjustment Program | | | | | | | | | | | |
| 1. Premium adjustments receivable | 7,437,209 | | | | 7,437,209 | | | | A | 7,437,209 | |
| 2. Premium adjustments (payable) | | | | | | | | | B | | |
| 3. Subtotal ACA Permanent Risk Adjustment Program | 7,437,209 | | | | 7,437,209 | | | | | 7,437,209 | |
| 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 ceded 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 credits or policy experience rating refunds | | | | | | | | | J | | |
| 3. Subtotal ACA Risk Corridors Program | | | | | | | | | | | |
| d. Total for ACA Risk Sharing Provisions | 7,437,209 | | | | 7,437,209 | | | | | 7,437,209 | |

Notes to Financial Statement

4. Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year - None

5. ACA Risk Corridor Receivable as of Reporting Date - None

25. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2019 were \$11,136,355 for Claims and Claims Adjustment Expense. As of March 31, 2020, \$6,476,545 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,398,585 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$2,261,225 favorable prior-year development since December 31, 2019 to March 31, 2020. The increase (decrease) is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

26. Intercompany Pooling Arrangements

No Material Change

27. Structured Settlements

No Material Change

28. Health Care Receivables

No Material Change

29. Participating Policies

No Material Change

30. Premium Deficiency Reserves

No Material Change

31. Anticipated Salvage and Subrogation

No Material Change

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:

- 3.1 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[X]
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[] No[X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017
- 6.2 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.
- 6.3 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).
- 6.4 By what department or departments?
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal 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 |
|---------------------|-----------------------------|----------|----------|-----------|----------|
| | | No | No | No | No |

- 9.1 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.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ 0

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[] No[X]
- 14.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

| | 1 Prior Year-End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|---|--|---|
| 14.21 Bonds | | |
| 14.22 Preferred Stock | | |
| 14.23 Common Stock | | |
| 14.24 Short-Term Investments | | |
| 14.25 Mortgages Loans on Real Estate | | |
| 14.26 All Other | | |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | | |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | | |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
 If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
 16.3 Total payable for securities lending reported on the liability page \$ 0

17. 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 No

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|---|
| Bank of Albuquerque | 201 Third Street NW Suite 1400 Albuquerque NM 87102 |

17.2 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) |
|--------------|------------------|------------------------------|
| | | |

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes No

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

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

17.5 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 |
|---|------------------|
| AAM Company LLC, 30 Monroe St, Chicago IL 60603 | U |

17.5097 For those firms/individuals listed in the table for Question 17.5, 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

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes No

17.6 For those firms or individuals listed in the table for 17.5 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 |
|--|---------------------------------|---------------------------------------|-------------------------|---|
| 109875 | AAM Company LLC | 549300DSCHIEV5W3U963 | SEC | NO |

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

18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for 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 No

20. By self-designating PLGI securities, the reporting entity is certifying the following elements for 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 a 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

GENERAL INTERROGATORIES (Continued)

21. 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]

GENERAL INTERROGATORIES**PART 2 - HEALTH**

- | | | |
|---|---------|--------------|
| 1. Operating Percentages: | | |
| 1.1 A&H loss percent | | 0.000% |
| 1.2 A&H cost containment percent | | 0.000% |
| 1.3 A&H expense percent excluding cost containment expenses | | 0.000% |
| 2.1 Do you act as a custodian for health savings accounts? | | Yes[] No[X] |
| 2.2 If yes, please provide the amount of custodial funds held as of the reporting date. | \$..... | 0 |
| 2.3 Do you act as an administrator for health savings accounts? | | Yes[] No[X] |
| 2.4 If yes, please provide the balance of the funds administered as of the reporting date. | \$..... | 0 |
| 3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? | | Yes[] No[X] |
| 3.1 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] |

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1 NAIC Company Code | 2 ID Number | 3 Effective Date | 4 Name of Reinsurer | 5 Domiciliary Jurisdiction | 6 Type of Reinsurance Ceded | 7 Type of Business Ceded | 8 Type of Reinsurer | 9 Certified Reinsurer Rating (1 through 6) | 10 Effective Date of Certified Reinsurer Rating |
|---|-------------------|------------------------|-------------------------|----------------------------------|--------------------------------------|-----------------------------------|---------------------------|---|--|
| | | | | | | | | | |
| | | | | | | | | | |
| Accident and Health - Non-affiliates | | | | | | | | | |
| 23647 | 41-0121640 | 01/01/2020 | IRONSHORE IND INC | MN | SSL/I | CMM | Authorized | | |
| | | | | | | | | | |
| | | | | | | | | | |

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

| State, Etc. | 1 Active Status (a) | Direct Business Only | | | | | | | |
|--|------------------------|-----------------------------------|---------------------------|-------------------------|---|---|---------------------------------|--------------------------------|-----------------------------|
| | | 2 Accident and Health Premiums | 3 Medicare Title XVIII | 4 Medicaid Title XIX | 5 Federal Employees Health Benefits Program Premiums | 6 Life and Annuity Premiums and Other Considerations | 7 Property/Casualty Premiums | 8 Total Columns 2 Through 7 | 9 Deposit-Type Contracts |
| 1. Alabama (AL) | N | | | | | | | | |
| 2. Alaska (AK) | N | | | | | | | | |
| 3. Arizona (AZ) | N | | | | | | | | |
| 4. Arkansas (AR) | N | | | | | | | | |
| 5. California (CA) | N | | | | | | | | |
| 6. Colorado (CO) | N | | | | | | | | |
| 7. Connecticut (CT) | N | | | | | | | | |
| 8. Delaware (DE) | N | | | | | | | | |
| 9. District of Columbia (DC) | N | | | | | | | | |
| 10. Florida (FL) | N | | | | | | | | |
| 11. Georgia (GA) | N | | | | | | | | |
| 12. Hawaii (HI) | N | | | | | | | | |
| 13. Idaho (ID) | N | | | | | | | | |
| 14. Illinois (IL) | N | | | | | | | | |
| 15. Indiana (IN) | N | | | | | | | | |
| 16. Iowa (IA) | N | | | | | | | | |
| 17. Kansas (KS) | N | | | | | | | | |
| 18. Kentucky (KY) | N | | | | | | | | |
| 19. Louisiana (LA) | N | | | | | | | | |
| 20. Maine (ME) | N | | | | | | | | |
| 21. Maryland (MD) | N | | | | | | | | |
| 22. Massachusetts (MA) | N | | | | | | | | |
| 23. Michigan (MI) | N | | | | | | | | |
| 24. Minnesota (MN) | N | | | | | | | | |
| 25. Mississippi (MS) | N | | | | | | | | |
| 26. Missouri (MO) | N | | | | | | | | |
| 27. Montana (MT) | N | | | | | | | | |
| 28. Nebraska (NE) | N | | | | | | | | |
| 29. Nevada (NV) | N | | | | | | | | |
| 30. New Hampshire (NH) | N | | | | | | | | |
| 31. New Jersey (NJ) | N | | | | | | | | |
| 32. New Mexico (NM) | L | 24,334,206 | | | | | | 24,334,206 | |
| 33. New York (NY) | N | | | | | | | | |
| 34. North Carolina (NC) | N | | | | | | | | |
| 35. North Dakota (ND) | N | | | | | | | | |
| 36. Ohio (OH) | N | | | | | | | | |
| 37. Oklahoma (OK) | N | | | | | | | | |
| 38. Oregon (OR) | N | | | | | | | | |
| 39. Pennsylvania (PA) | N | | | | | | | | |
| 40. Rhode Island (RI) | N | | | | | | | | |
| 41. South Carolina (SC) | N | | | | | | | | |
| 42. South Dakota (SD) | N | | | | | | | | |
| 43. Tennessee (TN) | N | | | | | | | | |
| 44. Texas (TX) | N | | | | | | | | |
| 45. Utah (UT) | N | | | | | | | | |
| 46. Vermont (VT) | N | | | | | | | | |
| 47. Virginia (VA) | N | | | | | | | | |
| 48. Washington (WA) | N | | | | | | | | |
| 49. West Virginia (WV) | N | | | | | | | | |
| 50. Wisconsin (WI) | N | | | | | | | | |
| 51. Wyoming (WY) | N | | | | | | | | |
| 52. American Samoa (AS) | N | | | | | | | | |
| 53. Guam (GU) | N | | | | | | | | |
| 54. Puerto Rico (PR) | N | | | | | | | | |
| 55. U.S. Virgin Islands (VI) | N | | | | | | | | |
| 56. Northern Mariana Islands (MP) | N | | | | | | | | |
| 57. Canada (CAN) | N | | | | | | | | |
| 58. Aggregate other alien (OT) | X X X | | | | | | | | |
| 59. Subtotal | X X X | 24,334,206 | | | | | | 24,334,206 | |
| 60. Reporting entity contributions for Employee Benefit Plans | X X X | | | | | | | | |
| 61. Total (Direct Business) | X X X | 24,334,206 | | | | | | 24,334,206 | |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 58001. | X X X | | | | | | | | |
| 58002. | X X X | | | | | | | | |
| 58003. | X X X | | | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | X X X | | | | | | | | |
| 58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) | X X X | | | | | | | | |

(a) Active Status Counts:

- L Licensed or Chartered - Licensed insurance carrier or domiciled RRG
- E Eligible - Reporting entities eligible or approved to write surplus lines in the state
- N None of the above - Not allowed to write business in the state

1

- R Registered - Non-domiciled RRGs
- Q Qualified - Qualified or accredited reinsurer

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15 Schedule Y - Part 1 NONE

16 Schedule Y Part 1A - Detail of Insurance Holding Company System NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

RESPONSE

1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

No

Explanations:

Bar Codes:

Medicare Part D Coverage Supplement



15011202036500001

2020

Document Code: 365

STATEMENT AS OF **March 31, 2020** OF THE **NEW MEXICO HEALTH CONNECTIONS**
SCHEDULE A - VERIFICATION

Real Estate

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Current year change in encumbrances | | |
| 4. Total gain (loss) on disposals | | |
| 5. Deduct amounts received on disposals | | |
| 6. Total foreign exchange change in book/adjusted carrying value | | |
| 7. Deduct current year's other-than-temporary impairment recognized | | |
| 8. Deduct current year's depreciation | | |
| 9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8) | | |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | | |

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | | |
| 8. Deduct amortization of premium and mortgage interest points | | |
| 9. Total foreign exchange change in book value/recorded investment | | |
| 10. Deduct current year's other-than-temporary impairment recognized | | |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | | |
| 12. Total valuation allowance | | |
| 13. Subtotal (Line 11 plus Line 12) | | |
| 14. Deduct total nonadmitted amounts | | |
| 15. Statement value at end of current period (Line 13 minus Line 14) | | |

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | | |
| 8. Deduct amortization of premium and depreciation | | |
| 9. Total foreign exchange change in book/adjusted carrying value | | |
| 10. Deduct current year's other-than-temporary impairment recognized | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10) | | |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | | |

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 3,190,233 | 8,932,485 |
| 2. Cost of bonds and stocks acquired | | 496,872 |
| 3. Accrual of discount | 1 | 17,282 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | 19,819 |
| 6. Deduct consideration for bonds and stocks disposed of | 677,285 | 6,248,797 |
| 7. Deduct amortization of premium | 9,706 | 27,427 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) | 2,503,243 | 3,190,233 |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 2,503,243 | 3,190,233 |

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|--|---|---|---|--|---|--|--|
| NAIC Designation | Book/Adjusted Carrying Value Beginning of Current Quarter | Acquisitions During Current Quarter | Dispositions During Current Quarter | Non-Trading Activity During Current Quarter | Book/Adjusted Carrying Value End of First Quarter | Book/Adjusted Carrying Value End of Second Quarter | Book/Adjusted Carrying Value End of Third Quarter | Book/Adjusted Carrying Value December 31 Prior Year |
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 3,190,233 | | 677,285 | (9,706) | 2,503,243 | | | 3,190,233 |
| 2. NAIC 2 (a) | | | | | | | | |
| 3. NAIC 3 (a) | | | | | | | | |
| 4. NAIC 4 (a) | | | | | | | | |
| 5. NAIC 5 (a) | | | | | | | | |
| 6. NAIC 6 (a) | | | | | | | | |
| 7. Total Bonds | 3,190,233 | | 677,285 | (9,706) | 2,503,243 | | | 3,190,233 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1 | | | | | | | | |
| 9. NAIC 2 | | | | | | | | |
| 10. NAIC 3 | | | | | | | | |
| 11. NAIC 4 | | | | | | | | |
| 12. NAIC 5 | | | | | | | | |
| 13. NAIC 6 | | | | | | | | |
| 14. Total Preferred Stock | | | | | | | | |
| 15. Total Bonds & Preferred Stock | 3,190,233 | | 677,285 | (9,706) | 2,503,243 | | | 3,190,233 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

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SCHEDULE DA - PART 1**Short - Term Investments**

| | 1 Book/Adjusted Carrying Value | 2 | 3 Actual Cost | 4 Interest Collected Year To Date | 5 Paid for Accrued Interest Year To Date |
|-----------------------|---|---|---------------------|---|---|
| 9199999. Totals | NONE | | | | |

SCHEDULE DA - Verification**Short-Term Investments**

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | | 250,016 |
| 2. Cost of short-term investments acquired | | 844,892 |
| 3. Accrual of discount | | 2,956 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | 903 |
| 6. Deduct consideration received on disposals | | 1,098,662 |
| 7. Deduct amortization of premium | | 105 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | | 0 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | | 0 |

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

| | | 1 | 2 |
|-----|--|--------------|---------------------------------|
| | | Year To Date | Prior Year Ended December 31 |
| 1. | Book/adjusted carrying value, December 31 of prior year | 464,992 | 401,094 |
| 2. | Cost of cash equivalents acquired | 699,002 | 7,782,026 |
| 3. | Accrual of discount | | 699 |
| 4. | Unrealized valuation increase (decrease) | | |
| 5. | Total gain (loss) on disposals | | 1 |
| 6. | Deduct consideration received on disposals | 970,000 | 7,718,828 |
| 7. | Deduct amortization of premium | | |
| 8. | Total foreign exchange change in book/adjusted carrying value | | |
| 9. | Deduct current year's other-than-temporary impairment recognized | | |
| 10. | Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 193,994 | 464,992 |
| 11. | Deduct total nonadmitted amounts | | |
| 12. | Statement value at end of current period (Line 10 minus Line 11) | 193,994 | 464,992 |

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

E04 Schedule D Part 3 NONE

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of During the Current Quarter

| 1 CUSIP Identification | 2 Description | 3 F o r e i g n Date | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/ Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/ Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Designation and Admini- strative Symbol | |
|--|--|--|-----------------------|---------------------------|--------------------------------------|--------------------|-------------------|---------------------|--|--|--|---|---|--|--|---|--|---|---|---|--|-----|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ (Decrease) | 12 Current Year's (Amortization)/ Accretion | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11 + 12 - 13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | | |
| Bonds - U.S. Governments | | | | | | | | | | | | | | | | | | | | | | |
| 62888YAA0 | NGN 11R1 NTS - CMO/RMBS | | 01/08/2020 | VARIOUS | XXX | 70,985 | 70,985 | 71,451 | 70,987 | | (1) | | (1) | | 70,985 | | | | 141 | 01/08/2020 | 1 | |
| 0599999 | Subtotal - Bonds - U.S. Governments | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | 70,985 | 70,985 | 71,451 | 70,987 | | (1) | | (1) | | 70,985 | | | | 141 | XXX | XXX | |
| Bonds - U.S. Special Revenue, Special Assessment | | | | | | | | | | | | | | | | | | | | | | |
| 190760HA9 | COBB-MARIETTA GA COLISEUM & EXHIBIT HALL | | 01/01/2020 | Maturity @ 100.00 | XXX | 500,000 | 500,000 | 508,655 | 500,000 | | | | | | 500,000 | | | | 5,125 | 01/01/2020 | 1FE | |
| 3136A5B47 | FNR 1254D WG - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 5,034 | 5,034 | 5,172 | 5,176 | | (142) | | (142) | | 5,034 | | | | 43 | 01/25/2041 | 1 | |
| 3136AJKX3 | FNR 1413A CA - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 17,855 | 17,855 | 18,357 | 18,365 | | (510) | | (510) | | 17,855 | | | | 87 | 05/25/2030 | 1 | |
| 3136AKNC3 | FNR 1439A AB - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 9,711 | 9,711 | 10,027 | 9,833 | | (122) | | (122) | | 9,711 | | | | 83 | 09/25/2039 | 1 | |
| 3136AQK82 | FNR 1594C LD - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 12,071 | 12,071 | 12,702 | 12,550 | | (479) | | (479) | | 12,071 | | | | 69 | 08/25/2043 | 1 | |
| 3137ANP58 | FHR 4038B A - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 9,544 | 9,544 | 10,048 | 9,808 | | (264) | | (264) | | 9,544 | | | | 70 | 06/15/2030 | 1 | |
| 3137B74A4 | FHR 4295A AB - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 12,549 | 12,549 | 12,745 | 12,615 | | (66) | | (66) | | 12,549 | | | | 53 | 01/15/2024 | 1 | |
| 3137BCGR3 | FHR 4360C DA - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 8,543 | 8,543 | 8,904 | 8,716 | | (173) | | (173) | | 8,543 | | | | 58 | 05/15/2037 | 1 | |
| 3137BGWZ8 | FHR 4447B PA - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 7,632 | 7,632 | 7,978 | 7,893 | | (261) | | (261) | | 7,632 | | | | 43 | 12/15/2044 | 1 | |
| 3137BPP29 | FHR 4579G BA - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 11,709 | 11,709 | 12,084 | 12,078 | | (368) | | (368) | | 11,709 | | | | 60 | 01/15/2043 | 1 | |
| 31398SRE5 | FNR 10137H CJ - CMO/RMBS | | 03/01/2020 | Paydown | XXX | 11,652 | 11,652 | 11,910 | 11,841 | | (189) | | (189) | | 11,652 | | | | 71 | 12/25/2025 | 1 | |
| 3199999 | Subtotal - Bonds - U.S. Special Revenue, Special Assessment | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | 606,300 | 606,300 | 618,582 | 608,873 | | (2,575) | | (2,575) | | 606,300 | | | | 5,763 | XXX | XXX | |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | | |
| 00104UAB4 | AEPTC 1203 A2 - ABS | | 01/01/2020 | Paydown | XXX | | | | | | | | | | | | | | 1,094 | 06/01/2021 | 1FE | |
| 3899999 | Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | | | | | | | | | | | | | | 1,094 | XXX | XXX | |
| 8399997 | Subtotal - Bonds - Part 4 | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | 677,285 | 677,284 | 690,033 | 679,860 | | (2,576) | | (2,576) | | 677,285 | | | | 6,998 | XXX | XXX | |
| 8399998 | Summary Item from Part 5 for Bonds (N/A to Quarterly) | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 8399999 | Subtotal - Bonds | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | 677,285 | 677,284 | 690,033 | 679,860 | | (2,576) | | (2,576) | | 677,285 | | | | 6,998 | XXX | XXX | |
| 8999998 | Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 8999999 | Subtotal - Preferred Stocks | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 9799998 | Summary Item from Part 5 for Common Stocks (N/A to Quarterly) | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 9799999 | Subtotal - Common Stocks | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 9899999 | Subtotal - Preferred and Common Stocks | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX |
| 9999999 | Total - Bonds, Preferred and Common Stocks | | | | | | | | | | | | | | | | | | | | | |
| | | | | | XXX | 677,285 | 677,284 | 690,033 | 679,860 | | (2,576) | | (2,576) | | 677,285 | | | | 6,998 | XXX | XXX | |

QE05

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DB Part E NONE

E11 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E12 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

| 1 Depository | | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|--|-------------------------|-----------|-----------------------|---|---|--|-------------------|------------------|--------|
| | | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| open depositories | | | | | | | | | |
| Wells Fargo - Checking #9576 | Albuquerque, New Mexico | | | | | 519,209 | 189,591 | 769,874 | X X X |
| Wells Fargo - Claims #4894 | Albuquerque, New Mexico | | | | | (857,429) | (1,093,994) | (1,450,600) | X X X |
| Wells Fargo - Claims #5258 | Albuquerque, New Mexico | | | | | 39,616 | 39,616 | 39,616 | X X X |
| Wells Fargo - Money Market #4591 | Albuquerque, New Mexico | | 0.030 | 10 | | 151,447 | 151,450 | 151,453 | X X X |
| Wells Fargo - Premium #7183 | Albuquerque, New Mexico | | | | | 4,077,807 | 4,503,734 | 4,193,890 | X X X |
| Wells Fargo - Platinum Savings #4670 | Albuquerque, New Mexico | | 0.100 | | | 250,363 | 250,363 | 250,363 | X X X |
| Wells Fargo - #4083 | Albuquerque, New Mexico | | | | | | | (2,045) | X X X |
| 0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories | | X X X | X X X | | | | | | X X X |
| 0199999 Totals - Open Depositories | | X X X | X X X | 10 | | 4,181,013 | 4,040,760 | 3,952,551 | X X X |
| 0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories | | X X X | X X X | | | | | | X X X |
| 0299999 Totals - Suspended Depositories | | X X X | X X X | | | | | | X X X |
| 0399999 Total Cash On Deposit | | X X X | X X X | 10 | | 4,181,013 | 4,040,760 | 3,952,551 | X X X |
| 0499999 Cash in Company's Office | | X X X | X X X | X X X | X X X | | | | X X X |
| 0599999 Total Cash | | X X X | X X X | 10 | | 4,181,013 | 4,040,760 | 3,952,551 | X X X |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--|--|------|------------------|------------------|---------------|------------------------------|----------------------------------|-----------------------------|
| CUSIP | Description | Code | Date Acquired | Rate of Interest | Maturity Date | Book/Adjusted Carrying Value | Amount of Interest Due & Accrued | Amount Received During Year |
| All Other Money Market Mutual Funds | | | | | | | | |
| . 825252885 | INVESCO GOV&AGENCY INST | | 03/25/2020 | 0.390 | X X X | 193,994 | 116 | 337 |
| 8699999 | Subtotal - All Other Money Market Mutual Funds | | | | | 193,994 | 116 | 337 |
| 8899999 | Total Cash Equivalents | | | | | 193,994 | 116 | 337 |

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