

**Coordinated Health Mutual, Inc.**  
**Statutory Statement of Admitted Assets, Liabilities & Surplus**  
**June 30, 2016**  
**(Unaudited)**

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
<b>Invested Assets</b>		
Bonds	\$ 28,562,519	\$ 73,502,331
Common Stock	-	7,793,397
Cash	29,570,874	2,390,689
Cash Equivalents	1,105,318	4,403,402
Short Term Investments	2,841,076	6,014,623
<b>Total Invested Assets</b>	<u><b>62,079,786</b></u>	<u><b>94,104,443</b></u>
<b>Other Admitted Assets</b>		
Due and Accrued Investment Income	62,027	176,590
Premiums in Course of Collection	503,915	951,981
Risk Adjustment Receivable - Subject to Redetermination	-	801,702
Risk Corridor Receivable	65,194,928	32,284,511
Risk Corridor Receivable - Nonadmitted	(65,194,928)	(32,284,511)
Amounts Recoverable From Reinsurers	16,296,213	12,941,017
EDP Processing Equipment and Software	22,989	38,477
Guaranty Funds Receivable Or On Deposit	9,017,267	-
Other Receivables	168,845	-
<b>Total Other Admitted Assets</b>	<u><b>26,071,257</b></u>	<u><b>14,909,768</b></u>
<b>Total Assets</b>	<u><b>88,151,043</b></u>	<u><b>109,014,211</b></u>
Net Claims Unpaid	53,053,179	29,647,746
Net Unpaid Claims Adjustment Expenses	1,889,011	1,230,665
Risk Adjustment Payable	10,799,918	7,009,519
Net Aggregate Health Claim Reserves - PDR	35,605,415	31,628,076
Premiums Received In Advance	1,819,173	3,418,658
Total Expenses Due or Accrued	5,584,926	3,740,127
Ceded Reinsurance Premiums Payable	380,767	679,630
Other Liabilities	51,863	80
<b>Total Liabilities</b>	<u><b>109,184,251</b></u>	<u><b>77,354,501</b></u>
Change in Surplus Notes	126,408,917	126,408,917
Capital and Surplus Prior Year	(94,749,207)	(14,692,671)
Current Year Net Gain/(Loss)	(52,868,868)	(79,125,128)
Special Surplus Funds - HIP Fees	-	611,143
Surplus Adjustment for HIP Fees	-	(611,143)
Change In Unrealized Gains	419,891	(453,547)
Change in Other Nonadmitted Assets (1)	(243,940)	(477,861)
<b>Total Surplus</b>	<u><b>(21,033,207)</b></u>	<u><b>31,659,710</b></u>
<b>Total Liabilities and Surplus</b>	<u><b>\$ 88,151,043</b></u>	<u><b>\$ 109,014,211</b></u>

(1) Excludes change in nonadmitted Risk Corridor Asset.

**Coordinated Health Mutual, Inc.**  
**Statutory Income Statement**  
**For The Period Ending June 30, 2016**  
**(Unaudited)**

	<b>June 30, 2016</b>
<b>Revenues</b>	
Net Premium Income Earned <b>(1)</b>	\$ 53,780,197
<b>Total Revenues</b>	53,780,197
 Medical and Pharmacy Benefits	
Direct Hospital & Medical Benefits	90,330,691
Direct Prescriptions Drugs	10,176,080
Reinsurance Recoveries	(12,042,999)
<b>Total Operating Expenses</b>	88,463,772
 Claims Adjustment Expenses	2,482,771
 General Administrative Expenses	12,284,011
 <b>Net Underwriting Loss</b>	(49,450,357)
 Change in Premium Deficiency Reserve	(3,977,339)
 Investment Income	
Net Investment Income Earned	563,509
Realized Gains/(Losses)	-
 Total Investment Income	563,509
 Loss From Balances Charged Off	(4,682)
 <b>Net Gain/(Loss)</b>	\$ (52,868,868)

**(1)** Excludes impact of nonadmitted Risk Corridor Asset

**Coordinated Health Mutual, Inc.**  
**Monthly Income Statement**  
**June 30, 2016**  
**(Unaudited)**

	1/31/2016	2/28/2016	3/31/2016	4/30/2016	5/31/2016	6/30/2016	Total
<b>Total Revenues</b>	\$ 14,209,694	5,427,345	8,967,841	9,218,676	8,910,625	7,046,016	\$ 53,780,197
Direct Hospital & Medical Benefits	12,640,640	18,293,876	22,333,365	10,026,990	13,167,405	13,868,415	90,330,691
Direct Prescription Drugs	1,287,673	1,580,173	1,669,669	1,713,024	1,764,157	2,161,383	10,176,080
Reinsurance Recoveries	(3,246,106)	(2,902,690)	(1,899,090)	(903,417)	(1,992,017)	(1,099,679)	(12,042,999)
<b>Total Operating Expenses</b>	<b>10,682,207</b>	<b>16,971,359</b>	<b>22,103,944</b>	<b>10,836,598</b>	<b>12,939,545</b>	<b>14,930,118</b>	<b>88,463,772</b>
Claims Adjustment Expenses	232,256	595,692	607,198	112,911	402,289	532,425	2,482,771
General Administrative Expenses	2,648,089	2,099,023	1,839,478	2,019,968	1,941,873	1,735,580	12,284,011
<b>Net Underwriting Loss</b>	<b>647,142</b>	<b>(14,238,729)</b>	<b>(15,582,779)</b>	<b>(3,750,801)</b>	<b>(6,373,081)</b>	<b>(10,152,107)</b>	<b>(49,450,357)</b>
Change in Reserve for Life and Health Contracts	-	13,441,506	15,495,824	(47,648,106)	4,526,894	10,206,544	(3,977,339)
Total Investment Gains	68,577	83,288	86,952	81,154	94,669	148,868	563,509
Premiums Written Off	(1,784)	-	3	(2,233)	(13)	(654)	(4,682)
<b>Net Loss</b>	<b>\$ 713,935</b>	<b>(713,935)</b>	<b>0</b>	<b>(51,319,987)</b>	<b>(1,751,532)</b>	<b>202,651</b>	<b>\$ (52,868,868)</b>

**Coordinated Health Mutual, Inc.**  
**Statutory Statement of Cash Flow**  
**June 30, 2016**  
**(Unaudited)**

	<u>June 30, 2016</u>	<u>12/31/2015</u>
<b>Cash From Operations:</b>		
Premiums collected net of reinsurance	\$ 56,079,157	\$ 131,767,037
Net investment income	122,766	715,022
Other Non-Health Care Revenue	-	341,371
Benefit and loss related payments	(67,739,962)	(140,469,761)
Commissions, expenses and write-ins for deductions	(11,538,188)	(22,517,612)
<b>Net cash from operations</b>	<u><b>(23,076,227)</b></u>	<u><b>(30,163,943)</b></u>
<b>Cash From Investments:</b>		
Cost of bonds acquired-net	(3,499,648)	(42,432,016)
Cost of stocks acquired-net	-	(3,900,000)
Proceeds from investments sold, matured or repaid	57,205,311	15,097,401
<b>Net cash from investments</b>	<u><b>53,705,662</b></u>	<u><b>(31,234,615)</b></u>
<b>Cash Provided (applied):</b>		
Borrowed funds	-	(15,972,304)
Change in Surplus Notes	-	62,526,613
Other cash provided (applied)	(9,920,883)	4,044,057
	-	-
<b>Net cash from financing and miscellaneous sources</b>	<u><b>(9,920,883)</b></u>	<u><b>50,598,366</b></u>
<b>Net change in cash, cash equivalents and short-term investments</b>	<b>20,708,553</b>	<b>(10,800,192)</b>
<b>Cash, cash equivalents and short-term investments:</b>		
Beginning of period	12,808,715	23,608,907
<b>End of period</b>	<u><u><b>\$ 33,517,267</b></u></u>	<u><u><b>\$ 12,808,715</b></u></u>