



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2019
OF THE CONDITION AND AFFAIRS OF THE

Horizon Healthcare of New Jersey, Inc.

(Name)

NAIC Group Code 1202, 1202 NAIC Company Code 95529 Employer's ID Number 22-2651245

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 [ ],
Dental Service Corporation [ ], Vision Service Corporation [ ], Health Maintenance Organization [ X ]
Other [ ], Is HMO, Federally Qualified? Yes [ ] No [ X ]

Incorporated/Organized 10/24/1985 Commenced Business 06/01/1986

Statutory Home Office 3 Penn Plaza East Ste PP-15D, Newark, NJ, US 07105-2248

Main Administrative Office 3 Penn Plaza East Ste PP-15D, Newark, NJ, US 07105-2248, 973-466-5607

Mail Address 3 Penn Plaza East Ste PP-15D, Newark, NJ, US 07105-2248

Primary Location of Books and Records 3 Penn Plaza East Ste PP-15D, Newark, NJ, US 07105-2248, 973-466-5607

Internet Web Site Address www.horizonblue.com

Statutory Statement Contact Thomas D Protentis, 973-466-5607, thomas\_protentis@horizonblue.com, 973-466-7110

OFFICERS

Kevin Patrick Conlin, Chairman & CEO, Linda Anne Willett, Secretary, Douglas Richard Simpson, CFO & Treasurer

OTHER OFFICERS

Paul Gregory Alexander M.D., Chief Medical Officer, Mark Leon Barnard, President, Christopher Michael Lepre, Executive Vice President

DIRECTORS OR TRUSTEES

Paul Gregory Alexander M.D. #, Mark Leon Barnard, Kevin Patrick Conlin, Allen James Karp, Christopher Michael Lepre, Douglas Richard Simpson, Kathleen Ann Swain #, Donald Liss M.D. #

State of New Jersey

County of Essex

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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.

Linda Anne Willett, Secretary

Douglas Richard Simpson, CFO & Treasurer

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, Inc.**

**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).....	1,232,991,182		1,232,991,182	985,710,787
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	825,150		825,150	349,696
2.2 Common stocks .....	48,706,477		48,706,477	158,630,006
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....(24,819,718) , Schedule E-Part 1), cash equivalents (\$ .....52,198,876 , Schedule E-Part 2) and short-term investments (\$ .....0 , Schedule DA).....	27,379,158		27,379,158	59,727,192
6. Contract loans (including \$ ..... premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA) .....	0		0	0
9. Receivables for securities .....	7,930,485		7,930,485	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	1,317,832,452	0	1,317,832,452	1,204,417,682
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued .....	6,307,697		6,307,697	6,028,986
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	7,108,019	580,585	6,527,434	7,707,077
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....	1,536,159		1,536,159	753,842
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset.....	5,095,948		5,095,948	3,854,777
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	82,861	82,861	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....			0	0
24. Health care (\$ .....3,633,462 ) and other amounts receivable.....	17,668,908	13,943,333	3,725,575	5,106,755
25. Aggregate write-ins for other-than-invested assets .....	6,578,700	5,152,461	1,426,239	132,453
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,362,210,744	19,759,240	1,342,451,504	1,228,001,571
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	1,362,210,744	19,759,240	1,342,451,504	1,228,001,571
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....			0	0
1103. ....			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.....	4,702,626	4,702,626	0	0
2502. State Tax Recoverables.....	1,381,739		1,381,739	0
2503. Intangible.....	449,835	449,835	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	44,500	0	44,500	132,453
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	6,578,700	5,152,461	1,426,239	132,453

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....415,988,180 reinsurance ceded)	46,220,909		46,220,909	45,778,970
2. Accrued medical incentive pool and bonus amounts	163,185		163,185	84,842
3. Unpaid claims adjustment expenses	271,967		271,967	303,892
4. Aggregate health policy reserves, including the liability of \$ ..... for medical loss ratio rebate per the Public Health Service Act	709,204		709,204	452,338
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance	11,748		11,748	131,584
9. General expenses due or accrued	18,384,878		18,384,878	12,308,494
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses))	5,623,193		5,623,193	19,356,684
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	56,245,543		56,245,543	51,237,778
16. Derivatives		0	0	0
17. Payable for securities	13,757,304		13,757,304	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ .....85,832,836 authorized reinsurers, \$ ..... unauthorized reinsurers and \$ ..... certified reinsurers)	85,832,836		85,832,836	42,485,209
20. Reinsurance in unauthorized and certified (\$ .....) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans	85,000		85,000	0
23. Aggregate write-ins for other liabilities (including \$ ..... current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	227,305,767	0	227,305,767	172,139,791
25. Aggregate write-ins for special surplus funds	XXX	XXX	7,761,397	0
26. Common capital stock	XXX	XXX		0
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	123,147,430	123,147,430
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	984,236,910	932,714,351
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... )	XXX	XXX		0
32.2 ..... shares preferred (value included in Line 27 \$ ..... )	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	1,115,145,737	1,055,861,781
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,342,451,504	1,228,001,572
<b>DETAILS OF WRITE-INS</b>				
2301. ....			0	0
2302. ....			0	0
2303. ....			0	0
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)	0	0	0	0
2501. 2020 Insurer Fee	XXX	XXX	7,761,397	0
2502. ....	XXX	XXX		0
2503. ....	XXX	XXX		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	7,761,397	0
3001. ....	XXX	XXX		0
3002. ....	XXX	XXX		0
3003. ....	XXX	XXX		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	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	10,258,885	10,648,274
2. Net premium income (including \$ .....0 non-health premium income).....	XXX	546,487,984	539,087,425
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	(256,867)	619,643
4. Fee-for-service (net of \$ ..... medical expenses) .....	XXX		0
5. Risk revenue .....	XXX		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	546,231,117	539,707,068
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		2,191,704,450	2,783,439,558
10. Other professional services .....		1,821,869,261	695,521,761
11. Outside referrals .....		5,047,551	5,971,504
12. Emergency room and out-of-area .....		225,596,672	269,399,122
13. Prescription drugs .....		658,559,435	936,474,016
14. Aggregate write-ins for other hospital and medical .....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		1,327,263	5,458,427
16. Subtotal (Lines 9 to 15) .....	0	4,904,104,632	4,696,264,388
<b>Less:</b>			
17. Net reinsurance recoveries .....		4,413,736,662	4,226,603,326
18. Total hospital and medical (Lines 16 minus 17) .....	0	490,367,970	469,661,062
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$ .....7,507,324 cost containment expenses.....		12,591,477	15,716,066
21. General administrative expenses.....		59,274,186	54,827,338
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22) .....	0	562,233,633	540,204,466
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	(16,002,516)	(497,398)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		35,219,990	32,802,967
26. Net realized capital gains (losses) less capital gains tax of \$ .....8,800,903 .....		33,108,161	15,368,748
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	68,328,151	48,171,715
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ ..... )] .....		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	52,325,635	47,674,317
31. Federal and foreign income taxes incurred .....	XXX	1,057,572	21,362,734
32. Net income (loss) (Lines 30 minus 31) .....	XXX	51,268,063	26,311,583
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		0
0602. ....	XXX		0
0603. ....	XXX		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
0702. ....	XXX		0
0703. ....	XXX		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
1402. ....			0
1403. ....			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
2902. ....			0
2903. ....			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
<b>CAPITAL &amp; SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year .....	1,055,861,781	1,044,589,479
34. Net income or (loss) from Line 32 .....	51,268,063	26,311,583
35. Change in valuation basis of aggregate policy and claim reserves .....		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ ..... (3,766,953) .....	(14,360,599)	(36,074,993)
37. Change in net unrealized foreign exchange capital gain or (loss) .....	189,680	(93,138)
38. Change in net deferred income tax .....	(2,525,782)	(6,409,634)
39. Change in nonadmitted assets .....	24,712,594	27,538,488
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
44. Capital Changes:		
44.1 Paid in .....	0	0
44.2 Transferred from surplus (Stock Dividend) .....		0
44.3 Transferred to surplus .....		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
46. Dividends to stockholders .....		0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0
48. Net change in capital and surplus (Lines 34 to 47) .....	59,283,956	11,272,306
49. Capital and surplus end of reporting year (Line 33 plus 48)	1,115,145,737	1,055,861,785
<b>DETAILS OF WRITE-INS</b>		
4701. ....		0
4702. ....		0
4703. ....		0
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)	0	0

## CASH FLOW

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	547,721,231	547,213,952
2. Net investment income .....	34,622,604	33,578,480
3. Miscellaneous income .....	0	0
4. Total (Lines 1 through 3) .....	582,343,835	580,792,432
5. Benefit and loss related payments .....	489,847,688	488,371,164
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	66,518,521	68,311,928
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses)	23,591,966	13,168,394
10. Total (Lines 5 through 9) .....	579,958,175	569,851,486
11. Net cash from operations (Line 4 minus Line 10) .....	2,385,660	10,940,946
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	638,846,116	447,710,339
12.2 Stocks .....	293,105,167	116,202,489
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 .....	2,265	0
12.7 Miscellaneous proceeds .....	6,294,537	93,139
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	938,248,084	564,005,967
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	884,075,862	454,181,298
13.2 Stocks .....	161,400,469	35,877,656
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	487,386	7,318,578
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	1,045,963,717	497,377,532
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) .....	(107,715,632)	66,628,435
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied) .....	72,981,938	(94,162,723)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	72,981,938	(94,162,723)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(32,348,034)	(16,593,342)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	59,727,192	76,320,534
19.2 End of year (Line 18 plus Line 19.1) .....	27,379,158	59,727,192

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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	546,487,984	1,942,008	0	0	0	0	28,963,743	515,582,233	0	0
2. Change in unearned premium reserves and reserve for rate credit	(256,867)	(138,669)					32,927	(151,125)		
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	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)	546,231,117	1,803,339	0	0	0	0	28,996,670	515,431,108	0	0
8. Hospital/medical benefits	2,191,704,449	13,464,967					200,358,559	1,977,880,923		XXX
9. Other professional services	1,821,869,261	279,688					0	1,821,589,573		XXX
10. Outside referrals	5,047,551	5,047,551					0	0		XXX
11. Emergency room and out-of-area	225,596,672	175,192					0	225,421,480		XXX
12. Prescription drugs	658,559,436	768,065					18,388,521	639,402,850		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	1,327,263						513,712	813,551		XXX
15. Subtotal (Lines 8 to 14)	4,904,104,632	19,735,463	0	0	0	0	219,260,792	4,665,108,377	0	XXX
16. Net reinsurance recoveries	4,413,736,662	17,804,410					197,330,212	4,198,602,040		XXX
17. Total hospital and medical (Lines 15 minus 16)	490,367,970	1,931,053	0	0	0	0	21,930,580	466,506,337	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 7,507,324 cost containment expenses	12,591,477	351,237					584,990	11,655,250		
20. General administrative expenses	59,274,186	1,653,444					2,753,830	54,866,912		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	562,233,633	3,935,734	0	0	0	0	25,269,400	533,028,499	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(16,002,516)	(2,132,395)	0	0	0	0	3,727,270	(17,597,391)	0	0
<b>DETAILS OF WRITE-INS</b>										
0501.										XXX
0502.										XXX
0503.										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.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	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.										XXX
1302.										XXX
1303.										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 2019 OF THE Horizon Healthcare of New Jersey, 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) .....	19,420,100		17,478,092	1,942,008
2. Medicare Supplement .....				.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare .....	289,637,434		260,673,691	28,963,743
7. Title XIX - Medicaid.....	5,155,822,323		4,640,240,090	515,582,233
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8) .....	5,464,879,857	.0	4,918,391,873	546,487,984
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	5,464,879,857	0	4,918,391,873	546,487,984

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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 .....	4,839,318,433	21,141,831	0	0	0	0	204,399,692	4,613,776,910	0	0
1.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded .....	4,345,891,666	19,060,889	0	0	0	0	183,961,919	4,142,868,858	0	0
1.4 Net .....	493,426,767	2,080,942	0	0	0	0	20,437,773	470,908,052	0	0
2. Paid medical incentive pools and bonuses .....	54,384	0	0	0	0	0	10,661	43,723	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct .....	462,209,089	1,412,723	0	0	0	0	26,171,388	434,624,978	0	0
3.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded .....	415,988,180	1,271,450	0	0	0	0	23,554,249	391,162,481	0	0
3.4 Net .....	46,220,909	141,273	0	0	0	0	2,617,139	43,462,497	0	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 .....	163,185	0	0	0	0	0	45,211	117,974	0	0
6. Net healthcare receivables (a).....	3,633,462	0	0	0	0	0	0	3,633,462	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 .....	395,116,690	2,819,090	0	0	0	0	11,824,000	380,473,600	0	0
8.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded .....	349,337,720	2,527,929	0	0	0	0	10,643,796	336,165,995	0	0
8.4 Net .....	45,778,970	291,161	0	0	0	0	1,180,204	44,307,605	0	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 .....	84,841	0	0	0	0	0	0	84,841	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 .....	4,902,777,370	19,735,464	0	0	0	0	218,747,080	4,664,294,826	0	0
12.2 Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded .....	4,412,542,126	17,804,410	0	0	0	0	196,872,372	4,197,865,344	0	0
12.4 Net .....	490,235,244	1,931,054	0	0	0	0	21,874,708	466,429,482	0	0
13. Incurred medical incentive pools and bonuses .....	132,728	0	0	0	0	0	55,872	76,856	0	0

(a) Excludes \$ ..... 10,956,182 loans or advances to providers not yet expensed.

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, Inc.**

**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
<b>1. Reported in Process of Adjustment:</b>										
1.1. Direct .....	56,493,185	0	0	0	0	0	0	56,493,185	0	0
1.2. Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
1.3. Reinsurance ceded .....	50,843,867	0	0	0	0	0	0	50,843,867	0	0
1.4. Net .....	5,649,318	0	0	0	0	0	0	5,649,318	0	0
<b>2. Incurred but Unreported:</b>										
2.1. Direct .....	405,715,904	1,412,723	0	0	0	0	26,171,388	378,131,793	0	0
2.2. Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
2.3. Reinsurance ceded .....	365,144,313	1,271,450	0	0	0	0	23,554,249	340,318,614	0	0
2.4. Net .....	40,571,591	141,273	0	0	0	0	2,617,139	37,813,179	0	0
<b>3. Amounts Withheld from Paid Claims and Capitations:</b>										
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
<b>4. TOTALS:</b>										
4.1. Direct .....	462,209,089	1,412,723	0	0	0	0	26,171,388	434,624,978	0	0
4.2. Reinsurance assumed .....	0	0	0	0	0	0	0	0	0	0
4.3. Reinsurance ceded .....	415,988,180	1,271,450	0	0	0	0	23,554,249	391,162,481	0	0
4.4. Net .....	46,220,909	141,273	0	0	0	0	2,617,139	43,462,497	0	0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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) .....	237,818	1,843,123	3,253	138,020	241,071	291,161
2. Medicare Supplement .....					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan .....					0	0
6. Title XVIII - Medicare .....	1,303,157	19,134,616	34,303	2,582,836	1,337,460	1,180,204
7. Title XIX - Medicaid.....	28,733,626	442,174,427	3,513,531	39,948,966	32,247,157	44,307,604
8. Other health .....					0	0
9. Health subtotal (Lines 1 to 8).....	30,274,601	463,152,166	3,551,087	42,669,822	33,825,688	45,778,969
10. Healthcare receivables (a).....	0	3,633,462			0	0
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts .....	28,908	25,474	32,788	130,397	61,696	84,841
13. Totals (Lines 9-10+11+12)	30,303,509	459,544,178	3,583,875	42,800,219	33,887,384	45,863,810

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	16,365	16,493	16,511	16,559	16,556
2. 2015 .....	45,676	58,248	58,248	58,260	58,260
3. 2016 .....	XXX	32,607	41,646	41,704	41,707
4. 2017 .....	XXX	XXX	4,309	5,802	5,798
5. 2018 .....	XXX	XXX	XXX	2,034	2,330
6. 2019 .....	XXX	XXX	XXX	XXX	1,843

**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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	17,570	16,503	16,511	16,559	16,556
2. 2015 .....	51,977	58,435	58,254	58,260	58,260
3. 2016 .....	XXX	36,140	41,720	41,711	41,707
4. 2017 .....	XXX	XXX	4,572	5,798	5,800
5. 2018 .....	XXX	XXX	XXX	2,321	2,330
6. 2019 .....	XXX	XXX	XXX	XXX	1,981

**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. 2015 .....	57,044	58,260	3,584	6.2	61,844	108.4	0	0	61,844	108.4
2. 2016 .....	41,008	41,707	2,654	6.4	44,361	108.2	0	0	44,361	108.2
3. 2017 .....	2,844	5,798	(195)	(3.4)	5,603	197.0	3	0	5,606	197.1
4. 2018 .....	2,373	2,330	(342)	(14.7)	1,988	83.8	0	0	1,988	83.8
5. 2019 .....	1,803	1,843	336	18.2	2,179	120.9	138	10	2,327	129.1

12-HM

Pt 2C - Sn A - Paid Claims - MS

**NONE**

Pt 2C - Sn A - Paid Claims - DO

**NONE**

Pt 2C - Sn A - Paid Claims - VO

**NONE**

Pt 2C - Sn A - Paid Claims - FE

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	.46,964	.46,964	.46,964	.46,964	.46,964
2. 2015 .....	224,252	224,252	224,252	224,253	224,252
3. 2016 .....	XXX	.0	.0	.3	.5
4. 2017 .....	XXX	XXX	4,812	5,624	5,644
5. 2018 .....	XXX	XXX	XXX	10,279	11,562
6. 2019 .....	XXX	XXX	XXX	XXX	19,135

**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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	.46,964	.46,964	.46,964	.46,964	.46,964
2. 2015 .....	224,252	224,252	224,252	224,253	224,252
3. 2016 .....	XXX	.0	.0	.3	.5
4. 2017 .....	XXX	XXX	5,874	5,641	5,644
5. 2018 .....	XXX	XXX	XXX	11,442	11,597
6. 2019 .....	XXX	XXX	XXX	XXX	21,717

**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. 2015 .....	245,444	224,252	20,261	9.0	244,513	99.6	.0	.0	244,513	99.6
2. 2016 .....	.0	.5	.0	0.0	.5	0.0	.0	.0	.5	0.0
3. 2017 .....	7,970	5,644	552	9.8	6,196	77.7	.0	.0	6,196	77.7
4. 2018 .....	18,072	11,562	1,166	10.1	12,728	70.4	34	.0	12,762	70.6
5. 2019 .....	28,997	19,135	576	3.0	19,711	68.0	2,583	23	22,317	77.0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	302,056	305,136	305,001	304,998	304,988
2. 2015 .....	3,397,383	3,711,434	3,711,724	3,711,757	3,711,743
3. 2016 .....	XXX	3,827,142	3,904,803	3,904,955	3,904,978
4. 2017 .....	XXX	XXX	728,662	764,385	764,830
5. 2018 .....	XXX	XXX	XXX	437,725	465,989
6. 2019 .....	XXX	XXX	XXX	XXX	438,566

**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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	324,892	305,136	305,001	304,998	304,988
2. 2015 .....	3,770,177	3,738,890	3,711,724	3,711,757	3,711,743
3. 2016 .....	XXX	4,236,248	3,934,033	3,904,955	3,904,978
4. 2017 .....	XXX	XXX	762,599	766,807	764,830
5. 2018 .....	XXX	XXX	XXX	479,696	469,535
6. 2019 .....	XXX	XXX	XXX	XXX	478,646

**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. 2015 .....	4,259,024	3,711,743	164,996	4.4	3,876,739	91.0	.0	.0	3,876,739	91.0
2. 2016 .....	4,827,036	3,904,978	132,782	3.4	4,037,760	83.6	.0	.0	4,037,760	83.6
3. 2017 .....	495,422	764,830	17,693	2.3	782,523	158.0	.0	.0	782,523	158.0
4. 2018 .....	519,262	465,989	32,637	7.0	498,626	96.0	3,546	.0	502,172	96.7
5. 2019 .....	515,431	438,566	11,717	2.7	450,283	87.4	40,079	239	490,601	95.2

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	365,385	368,593	368,476	368,521	368,508
2. 2015 .....	3,667,311	3,993,934	3,994,224	3,994,270	3,994,255
3. 2016 .....	XXX	3,859,749	3,946,449	3,946,662	3,946,690
4. 2017 .....	XXX	XXX	737,783	775,811	776,272
5. 2018 .....	XXX	XXX	XXX	450,038	479,881
6. 2019 .....	XXX	XXX	XXX	XXX	459,544

**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 2015	2 2016	3 2017	4 2018	5 2019
1. Prior .....	389,426	368,603	368,476	368,521	368,508
2. 2015 .....	4,046,406	4,021,577	3,994,230	3,994,270	3,994,255
3. 2016 .....	XXX	4,272,388	3,975,753	3,946,669	3,946,690
4. 2017 .....	XXX	XXX	773,045	778,246	776,274
5. 2018 .....	XXX	XXX	XXX	493,459	483,462
6. 2019 .....	XXX	XXX	XXX	XXX	502,344

**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. 2015 .....	4,561,512	3,994,255	188,841	4.7	4,183,096	91.7	0	0	4,183,096	91.7
2. 2016 .....	4,868,044	3,946,690	135,436	3.4	4,082,126	83.9	0	0	4,082,126	83.9
3. 2017 .....	506,236	776,272	18,050	2.3	794,322	156.9	3	0	794,325	156.9
4. 2018 .....	539,707	479,881	33,461	7.0	513,342	95.1	3,580	0	516,922	95.8
5. 2019 .....	546,231	459,544	12,629	2.7	472,173	86.4	42,800	272	515,245	94.3

12-GT

Pt 2C - Sn B - Incurred Claims - MS

**NONE**

Pt 2C - Sn B - Incurred Claims - DO

**NONE**

Pt 2C - Sn B - Incurred Claims - VO

**NONE**

Pt 2C - Sn B - Incurred Claims - FE

**NONE**

Part 2C - Sn C - Claims Expense Ratio MS

**NONE**

Part 2C - Sn C - Claims Expense Ratio DO

**NONE**

Part 2C - Sn C - Claims Expense Ratio VO

**NONE**

Part 2C - Sn C - Claims Expense Ratio FE

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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.....	3,599,939	89,932	.0	.0	.0	.0	.0	3,510,007	.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).....	3,492,100	1,410,037	.0	.0	.0	.0	2,082,063	.0	.0
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross) .....	7,092,039	1,499,969	.0	.0	.0	.0	2,082,063	3,510,007	.0
7. Reinsurance ceded .....	6,382,835	1,349,972					1,873,857	3,159,006	
8. Totals (Net) (Page 3, Line 4)	709,204	149,997	0	0	0	0	208,206	351,001	0
9. Present value of amounts not yet due on claims .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
10. Reserve for future contingent benefits .....	.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
<b>DETAILS OF WRITE-INS</b>									
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 \$ ..... 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) .....	18,145	0	1,234,607	0	1,252,752
2. Salaries, wages and other benefits .....	4,346,180	0	2,572,777	0	6,918,957
3. Commissions (less \$ .....ceded plus \$ .....assumed) .....	0	0	60,214	0	60,214
4. Legal fees and expenses .....	0	0	4,143	0	4,143
5. Certifications and accreditation fees .....	0	0	0	0	0
6. Auditing, actuarial and other consulting services .....	25,888	0	2,611,301	0	2,637,189
7. Traveling expenses .....	0	0	143,425	0	143,425
8. Marketing and advertising .....	0	0	2,182,245	0	2,182,245
9. Postage, express and telephone .....	0	0	268,133	0	268,133
10. Printing and office supplies .....	0	0	329,741	0	329,741
11. Occupancy, depreciation and amortization .....	0	0	4,895	0	4,895
12. Equipment .....	0	0	227	0	227
13. Cost or depreciation of EDP equipment and software .....	0	0	85,651	0	85,651
14. Outsourced services including EDP, claims, and other services .....	2,856,953	5,166,064	29,139,125	0	37,162,142
15. Boards, bureaus and association fees .....	0	0	297,118	0	297,118
16. Insurance, except on real estate .....	0	0	357,272	0	357,272
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 .....	0	(178,186)	(2,077,398)	0	(2,255,584)
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	0	0	0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....	0	0	5,874,897	0	5,874,897
23.2 State premium taxes .....	0	0	15,516,450	0	15,516,450
23.3 Regulatory authority licenses and fees .....	0	0	351,795	0	351,795
23.4 Payroll taxes .....	260,158	0	148,099	0	408,257
23.5 Other (excluding federal income and real estate taxes) .....	0	0	652	0	652
24. Investment expenses not included elsewhere .....	0	0	0	1,179,868	1,179,868
25. Aggregate write-ins for expenses .....	0	96,275	168,817	0	265,092
26. Total expenses incurred (Lines 1 to 25) .....	7,507,324	5,084,153	59,274,186	1,179,868	(a) 73,045,531
27. Less expenses unpaid December 31, current year .....		271,967	18,384,878		18,656,845
28. Add expenses unpaid December 31, prior year .....	0	303,892	12,308,494	0	12,612,386
29. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year .....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	7,507,324	5,116,078	53,197,802	1,179,868	67,001,072
<b>DETAILS OF WRITE-INS</b>					
2501. Prompt Pay Interest .....	0	0	168,817	0	168,817
2502. Provision for Claims Processing .....	0	96,275	0	0	96,275
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	96,275	168,817	0	265,092

(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).....12,847,693	.....11,950,993
1.1 Bonds exempt from U.S. tax	(a).....0	.....0
1.2 Other bonds (unaffiliated)	(a).....18,474,214	.....19,857,967
1.3 Bonds of affiliates	(a).....0	.....0
2.1 Preferred stocks (unaffiliated)	(b).....15,633	.....15,633
2.11 Preferred stocks of affiliates	(b).....0	.....0
2.2 Common stocks (unaffiliated)	.....2,850,305	.....2,763,992
2.21 Common stocks of affiliates	.....0	.....0
3. Mortgage loans	(c).....0	.....0
4. Real estate	(d).....0	.....0
5. Contract loans	.....0	.....0
6. Cash, cash equivalents and short-term investments	(e).....1,933,302	.....1,811,273
7. Derivative instruments	(f).....0	.....0
8. Other invested assets	.....0	.....0
9. Aggregate write-ins for investment income	.....0	.....0
10. Total gross investment income	36,121,146	36,399,858
11. Investment expenses		(g).....1,179,868
12. Investment taxes, licenses and fees, excluding federal income taxes		(g).....0
13. Interest expense		(h).....0
14. Depreciation on real estate and other invested assets		(i).....0
15. Aggregate write-ins for deductions from investment income		.....0
16. Total deductions (Lines 11 through 15)		.....1,179,868
17. Net investment income (Line 10 minus Line 16)		35,219,990
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
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 \$ 2,509,335 accrual of discount less \$ 2,190,660 amortization of premium and less \$ 2,401,222 paid for accrued interest on purchases.  
 (b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued dividends on purchases.  
 (c) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.  
 (d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.  
 (e) Includes \$ 26,895 accrual of discount less \$ 27,945 amortization of premium and less \$ 51,970 paid for accrued interest on purchases.  
 (f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.  
 (g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.  
 (i) Includes \$ ..... depreciation on real estate and \$ ..... 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	688,336	0	688,336	969	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	1,039,475	0	1,039,475	3,258	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	11,925	0	11,925	44,416	(6,733)
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	40,726,491	(554,888)	40,171,603	(18,161,002)	196,414
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	2,265	0	2,265	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	(4,540)	(4,540)	(15,193)	0
10. Total capital gains (losses)	42,468,492	(559,428)	41,909,064	(18,127,552)	189,681
<b>DETAILS OF WRITE-INS</b>					
0901. Miscellaneous Adjustments	0	(4,540)	(4,540)	(15,193)	0
0902.	0	0	0	0	0
0903.	0	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	(4,540)	(4,540)	(15,193)	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	.0	.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	.0	.0	.0
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.....	580,585	754,026	173,441
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 .....	.0	.0	.0
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.....	82,861	132,172	49,311
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.....	13,943,333	39,832,731	25,889,398
25. Aggregate write-ins for other-than-invested assets .....	5,152,461	3,752,905	(1,399,556)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	19,759,240	44,471,834	24,712,594
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	19,759,240	44,471,834	24,712,594
<b>DETAILS OF WRITE-INS</b>			
1101. ....		.0	.0
1102. ....		.0	.0
1103. ....		.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.....	4,702,626	3,190,736	(1,511,890)
2502. Intangibles.....	449,835	562,169	112,334
2503. ....		.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)	5,152,461	3,752,905	(1,399,556)

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Horizon Healthcare of New Jersey, 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.....	866,397	854,410	860,390	857,310	845,022	10,258,885
2. Provider Service Organizations.....	.0	.0	.0	.0	.0	.0
3. Preferred Provider Organizations.....	.0	.0	.0	.0	.0	.0
4. Point of Service.....	.0	.0	.0	.0	.0	.0
5. Indemnity Only.....	.0	.0	.0	.0	.0	.0
6. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
7. Total	866,397	854,410	860,390	857,310	845,022	10,258,885
<b>DETAILS OF WRITE-INS</b>						
0601. ....	.0	.0	.0	.0	.0	.0
0602. ....	.0	.0	.0	.0	.0	.0
0603. ....	.0	.0	.0	.0	.0	.0
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

## NOTES TO FINANCIAL STATEMENTS

ANNUAL STATEMENT FOR THE YEAR-ENDED DECEMBER 31, 2019 OF THE Horizon Healthcare of New Jersey, Inc.

### NOTES TO FINANCIAL STATEMENTS

#### 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

##### A. Accounting Practices

The accompanying financial statements of Horizon Healthcare of New Jersey, Inc. (the "Company") have been prepared in conformity with accounting practices prescribed or permitted by the State of New Jersey, which requires that all statutory basis financial statements are prepared in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals.

Effective January 1, 2017 Horizon Healthcare Services, Inc (HHSI) and the Company entered into a 90% quota share reinsurance agreement whereby HHSI reinsured 90% of all Medicare DSNP, Medicaid, as well as insured Commercial business, all on a prospective basis.

	SSSAP #	F/S Page	F/S Line #	2019	2018
<u>NET INCOME</u>					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	NJ	4	32	\$ 51,268,063	\$ 26,311,583
(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	\$ 51,268,063	\$ 26,311,583
<u>RESERVES</u>					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	NJ	5	49	\$ 1,115,145,737	\$ 1,055,861,781
(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	\$ 1,115,145,737	\$ 1,055,861,781

##### 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 and 4 are carried at lower of cost or market value.
- 3) Common stocks are stated at market value.
- 4) Preferred stocks – The estimated market value of investments is determined by using the "Association Values" provided by the Securities Valuation Office (SVO) of the NAIC. For those securities not valued by the SVO, available quoted market prices are used.
- 5) Mortgage loans – None.
- 6) Loan-backed securities – Stated at either amortized cost or the lower of amortized cost or fair value.
- 7) Investments in subsidiaries and affiliates – None.
- 8) Investments in joint ventures and partnerships – None.
- 9) Derivatives – None.
- 10) Premium deficiency calculation – None.
- 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) The Company has not changed its capitalization policy from the prior period.
- 13) Pharmacy rebate estimates are accrued for in accordance with SSAP No. 84, Certain Healthcare Receivables and Receivables Under Government Insured Plans.

##### D. Going Concern

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

There were no accounting changes or correction of errors in year-end 2019 or 2018.

#### 3) BUSINESS COMBINATIONS AND GOODWILL

Not applicable

## NOTES TO FINANCIAL STATEMENTS

### 4) DISCONTINUED OPERATIONS

Not applicable

### 5) INVESTMENTS

- A. Mortgage loans – None
- B. Debt restructuring – None
- C. Reverse mortgages – None
- D. Loan-backed securities

a. The aggregate amount of unrealized losses

1. Less than 12 Months	\$	444,900
2. 12 Months or Longer	\$	71,810

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

1. Less than 12 Months	\$	105,658,061
2. 12 Months or Longer	\$	9,950,889

- E. Dollar Repurchase agreements – 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 – None
- K. Low-Income Housing Tax Credits (LIHTC) – None
- L. Restricted Assets

Note 5		1	2	2	4	5	6	7
Restricted Asset Category		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)
L.	Restricted Assets							
	1.) Restricted Assets (Including Pledged)							
	a. Subject to contractual obligation for which liability is not shown	0	0	0		0	0	0
	b. Collateral held under security lending agreements	0	0	0		0	0	0
	c. Subject to repurchase agreements	0	0	0		0	0	0
	d. Subject to reverse repurchase agreements	0	0	0		0	0	0
	e. Subject to dollar repurchase agreements	0	0	0		0	0	0
	f. Subject to dollar reverse repurchase agreements	0	0	0		0	0	0
	g. Placed under option contracts	0	0	0		0	0	0
	h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	0	0	0		0	0	0
	i. FHLB capital stock	0	0	0		0	0	0
	j. On deposit with states	0	0	0		0	0	0
	k. On deposit with other regulatory bodies	73,721,068	71,920,810	1,800,258		1,800,258	0.1	0.1
	l. Pledged as collateral to FHLB (including assets backing funding agreements)	0	0	0		0	0	0
	m. Pledged as collateral not captured in other categories	0	0	0		0	0	0
	n. Other restricted assets	0	0	0		0	0	0
	o. Total Restricted Assets	73,721,068	0	1,800,258		1,800,258	0.1	0.1

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

- M. Working Capital Finance Investments - None
- N. Offsetting and Netting of Assets and Liabilities – None
- O. Structured Notes – None
- P. 5\* Securities – None
- Q. Short Sales – None
- R. Prepayment Penalty and Acceleration Fees

(1) Number of CUSIPs

11

(2) Aggregate Amount of Investment Income

97,078.59

### 6) JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

Not applicable

### 7) INVESTMENT INCOME

Not applicable

### 8) DERIVATIVE INSTRUMENTS

Not applicable

### 9) INCOME TAXES

The Company has adopted SSAP No. 101 – Income Taxes effective from January 1, 2013. SSAP No. 101 replaces SSAP No. 10R, Income Taxes – Revised, A Temporary Replacement of SSAP No. 10 which established SAP for current and deferred Federal and foreign income taxes and current state income taxes.

SSAP No. 101 adopts the concepts of Statement of Financial Accounting Standard No. 109, *Income Taxes*, with certain modifications for state income taxes, the realization criteria for deferred tax assets, and the recording of the impact of changes in its deferred tax balances. SSAP No. 101 retains the expanded net deferred tax asset (“DTA”) admissibility of SSAP No. 10R, including the possibility of a three-year reversal period and a 15 percent surplus limitation. The expanded admissibility under SSAP No. 101 is subject to the new “realization threshold limitation criteria” which determine the future realization period under which reversals are considered (0, 1, or 3 years) and the applicable percentage of adjusted statutory surplus (0%, 10%, or 15%). In addition to SSAP No. 101, SSAP No. 5 “Liabilities, Contingencies and Impairments of Assets” was

## NOTES TO FINANCIAL STATEMENTS

replaced with SSAP No. 5R “Liabilities, Contingencies and Impairments of Assets - Revised”. SSAP 5R changes the recognition and measurement guidance on uncertain tax positions by reducing the recognition threshold from “probable and reasonably estimated” criterion to “more likely than not and reasonably estimated.” SSAP 5R and SSAP 101 did not have a material impact on the balance sheets, statement of income, or cash flows for the years ended December 31, 2019 and 2018.

Current Federal income taxes are provided on the basis of amounts currently payable or receivable. Deferred Federal income tax assets and liabilities are provided for temporary differences between statutory financial statement carrying amounts of assets and liabilities and their respective tax bases. Temporary differences expected to reverse within one year are recognized subject to certain limitations. Changes in deferred tax assets and liabilities are recognized as a separate component of surplus.

### A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

1. Description	December 31, 2019			December 31, 2018		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 7,626,077	\$ 156,842	\$ 7,782,919	\$ 10,276,848	\$ 55,444	\$ 10,332,292
(b) Statutory valuation allowance adjustments	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	7,626,077	156,842	7,782,919	10,276,848	55,444	10,332,292
(d) Deferred tax assets nonadmitted	-	-	-	-	-	-
(e) Sub-total net admitted deferred tax asset (1c - 1d)	7,626,077	156,842	7,782,919	10,276,848	55,444	10,332,292
(f) Deferred tax liabilities	1,165,365	1,521,606	2,686,971	6,422,072	55,444	6,477,516
(g) Net admitted deferred tax asset (Net deferred tax liability) (1e - 1f)	\$ 6,460,712	\$ (1,364,764)	\$ 5,095,948	\$ 3,854,776	\$ -	\$ 3,854,776

2. Description	December 31, 2019			December 31, 2018		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation components SSAP No. 101						
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 7,482,548	\$ -	\$ 7,482,548	\$ 10,134,126	\$ -	\$ 10,134,126
(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)						
(3)						
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount.			4196%			4210%
(b) Amount of Adjusted Capital And Surplus Used to Determine Recovery Period And Threshold Limitation In 2(b)2 Above.			1,048,456,205			1,052,007,004
(4) Impact of tax planning strategies (TPS) on adjusted gross DTAs and net admitted DTAs:						156,590,907
(c) Description	Ordinary	Capital	Total	Ordinary	Capital	Total
(d) (a) Adjusted gross DTA's - Percentage	0%	0%	0%	0%	0%	0%
(e) (b) Admitted adjusted gross DTA's - Percentage	0%	0%	0%	0%	0%	0%
(f) (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	2019	2018
(a) Current federal income tax expense / (benefit)	\$ 3,440,228	\$ 25,903,936
(b) Foreign income tax expense / (benefit)	-	-
(c) Subtotal	3,440,228	25,903,936
(d) Tax expense / benefit on realized capital gains / (losses)	8,800,903	4,087,702
(e) Utilization of capital loss carryforwards	-	-
(f) Other, including prior year underaccrual (overaccrual)	(2,382,655)	(4,541,202)
(g) Federal and foreign income taxes incurred	\$ 9,858,476	\$ 25,450,436

## NOTES TO FINANCIAL STATEMENTS

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

(2) DTAs Resulting From Book/Tax Differences In	December 31, 2019	December 31, 2018	Change
(a) Ordinary			
(1) Discounted claims reserves	\$ 660,235	\$ 726,364	\$ (66,129)
(2) Non-admitted assets	4,149,440	9,339,084	(5,189,644)
(3) Unearned income	21,535	24,525	(2,990)
(4) Non-deductible accrued expenses	5,233	5,233	-
(5) Book over tax depreciation	185,814	181,642	4,172
(6) Charitable contributions	2,603,820		2,603,820
Subtotal - Gross ordinary DTAs	7,626,077	10,276,848	(2,650,771)
(b) Statutory valuation allowance adjustment - ordinary	-	-	-
(c) Nonadmitted ordinary DTAs	-	-	-
(d) Admitted ordinary DTAs	\$ 7,626,077	\$ 10,276,848	\$ (2,650,771)
(e) Capital			
(1) Other than temporary impairments	\$ 156,842	\$ 55,444	\$ 101,398
Gross capital DTAs	156,842	55,444	101,398
(f) Statutory valuation allowance adjustment - capital	-	-	-
(g) Nonadmitted capital DTAs	-	-	-
(h) Admitted capital DTAs	\$ 156,842	\$ 55,444	\$ 101,398
(i) Admitted DTAs	\$ 7,782,919	\$ 10,332,292	\$ (2,549,373)
(3) DTLs Resulting From Book/Tax Differences In	December 31, 2019	December 31, 2018	Change
(a) Ordinary			
(1) Accrued market discount	\$ (1,070,900)	\$ (1,070,900)	-
(2) Intangible amortization	(94,465)	(118,056)	23,591
Ordinary DTLs	(1,165,365)	(1,188,956)	23,591
(b) Capital			
(1) Unrealized capital gains	\$ (1,521,606)	\$ (5,288,560)	\$ 3,766,954
Capital DTLs	(1,521,606)	(5,288,560)	3,766,954
(c) DTLs	(2,686,971)	(6,477,516)	3,790,545
(4) Net deferred tax assets/liabilities	\$ 5,095,948	\$ 3,854,776	\$ 1,241,172

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

	December 31, 2019	December 31, 2018	Bal. Sheet Change
Total deferred tax assets	\$ 7,782,919	\$ 10,332,292	\$ (2,549,373)
Total deferred tax liabilities	(2,686,971)	(6,477,516)	3,790,545
Net deferred tax assets/liabilities	5,095,948	3,854,776	1,241,172
Statutory valuation allowance adjustment			
Net deferred tax assets/liabilities after SVA	\$ 5,095,948	\$ 3,854,776	\$ 1,241,172
Tax effect of unrealized gains/(losses)	1,521,606	5,288,560	(3,766,954)
Statutory valuation allowance adjustment allocated to unrealized			-
Other intraperiod allocation of deferred tax movement			-
Change in net deferred income tax [(charge)/benefit]			\$ (2,525,782)

#### Income Tax Accounting Implications of the Tax Cuts and Jobs Act

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act makes broad and complex changes to the U.S. tax code, including, but not limited to, (1) reducing the U.S. federal corporate tax rate from 35% to 21%; (2) eliminating the corporate alternative minimum tax (AMT) and (3) changing how existing AMT credits can be realized. As a result of the enactment of this legislation, for the period ended December 31, 2017, Horizon Healthcare of New Jersey, Inc. realized an increase in net deferred tax assets of \$30,957, related to the remeasurement of deferred tax assets to reflect the new corporate tax rate of 21%. Prior to this legislation, Horizon Healthcare of New Jersey, Inc. had been subject to the AMT rate of 20%.

## NOTES TO FINANCIAL STATEMENTS

### 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	\$ 61,126,539	\$ 12,836,573	21.00%
Change in deferred taxes on nonadmitted assets	24,712,590	5,189,644	8.49%
Transfer pricing	(18,379,796)	(3,859,756)	-6.31%
Prior year adjustments	(10,905,833)	(2,290,224)	-3.75%
Nondeductible expenses	3,099,883	650,975	1.06%
Dividends Received Deduction	(680,734)	(142,954)	-0.23%
<b>Total</b>	<b>\$ 58,972,649</b>	<b>\$ 12,384,258</b>	<b>20.26%</b>
Federal income taxed incurred [expense/(benefit)]		3,440,228	5.63%
Tax on Realized Capital Gains (Losses)		8,800,903	14.40%
Prior year underaccrual (overaccrual)		(2,382,655)	-3.90%
Change in net deferred income tax [charge/(benefit)]		2,525,782	4.13%
Total statutory income taxes		<b>\$ 12,384,258</b>	<b>20.26%</b>

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

At December 31, 2019, the Company did not have any net operating loss carryforwards.

At December 31, 2019, the Company did not have any capital loss carryforwards.

At December 31, 2019, the Company did not have any AMT credit carryforwards.

At December 31, 2019, the Company did not have any foreign tax credit carryforwards.

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

Available from tax year	Ordinary	Capital	Total
2016	\$ -	\$ 263,261	\$ 263,261
2017	4,807,747	1,415,391	6,223,138
2019	3,440,228	8,800,903	12,241,131
<b>Total</b>	<b>\$ 8,247,975</b>	<b>\$ 10,479,555</b>	<b>\$ 18,727,530</b>

At December 31, 2019, the Company had no tax amounts deposited in accordance with Section 6603 of the Internal Revenue Code.

The Company files its U.S. Corporation 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) due to (from) the Parent would be the amount equivalent to that had the Company filed its Federal tax return on a separate company basis. 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 Parent Company's filing of its Federal income tax return.

## 10) INFORMATION REGARDING PARENT, SUBSIDIARIES AND AFFILIATES AND OTHER RELATED PARTIES

- A. The Company is a wholly owned subsidiary of Horizon Healthcare Plan Holding Company, Inc. (HHPHC), which is a wholly-owned subsidiary of Horizon Healthcare Services, Inc. d/b/a Horizon Blue Cross Blue Shield of New Jersey (HHSI).
- B. 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. At December 31, 2019, the amount of premiums, claims and general and administrative costs ceded were \$4,916,080,088, \$4,413,736,662 and \$581,375,958, respectively. Receivables ceded were \$92,677,573 and liabilities and payables ceded were \$588,833,841.
- C. At December 31, 2019, the Company reported amounts payable to Horizon BCBSNJ and Horizon Insurance Company of \$55,690,205 and \$555,337, respectively, intercompany balances are typically settled within 30 days of month end. At December 31, 2018, the Company reported amounts payable to Horizon BCBSNJ and Horizon Insurance Company of \$50,647,669 and \$590,109, respectively.
- D. The Company and Horizon BCBSNJ have entered into several service agreements whereby Horizon BCBSNJ provides the Company with certain marketing, data processing, clerical, financial and administrative support functions.
  - a) Horizon BCBSNJ sales representatives market both Horizon BCBSNJ and the Company's products. The Company incurred \$3,354,505 and \$1,411,975 in 2019 and 2018, respectively, for these sales support services. In addition, the Company was responsible for its share of advertising.
  - b) Horizon BCBSNJ provides the Company with certain administrative services, including executive, financial, legal and human resource support. Horizon BCBSNJ also provides the computer systems and programming support needed by the Company for claims processing and customer service. These services are allocated to the Company according to a defined formula. Additionally, Horizon BCBSNJ provides various other direct support services related to hospital contract negotiations,

## NOTES TO FINANCIAL STATEMENTS

enrollment and billing services, front-end clerical functions and mail services. The Company is billed for these items at cost. The Company paid \$205,429,557 in 2019 and \$166,091,002 in 2018 to Horizon BCBSNJ for these services.

- c) The Company and Horizon BCBSNJ have entered into another agreement whereby Horizon BCBSNJ provides services to the Company related to provider network services and medical management functions. These services are provided at cost, which totaled \$105,476,023 in 2019 and \$8,265,580 in 2018.

- E. None
- F. None
- G. None
- H. None
- I. None
- J. None
- K. None
- L. None

### 11) DEBT

In August 2018, HHNJ became a member of the Federal Home Loan Bank of New York (FHLB NY). As a member of the FHLB NY, HHNJ has obtained access to HHSI's previously established working capital facility with a maximum principal amount not to exceed \$500 million (FHLB NY Advance Facility). The FHLB NY Advance Facility is secured by a pledge of US Treasury/Agency or mortgage securities in HHNJ's held-to-maturity investment portfolio and must equal or exceed one hundred and ten percent of any amount then outstanding. HHNJ did not have any borrowings outstanding against the FHLB NY Advance Facility as of December 31, 2019.

### 12) RETIREMENT PLANS, DEFERRED COMPENSATION, POSTRETIREMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POST RETIREMENT BENEFIT PLANS

Employees of the Company participate in the Horizon BCBSNJ benefit programs. These programs provide retirement benefits as well as health and life insurance for current and former employees, based upon employee compensation and years of service. Under the existing arrangements with Horizon BCBSNJ, all pension and post retirement liabilities and funding are recorded by Horizon BCBSNJ, which is responsible for all pension and post retirement liabilities accrued by the Company's employees. The Company's share of these pension and postretirement expenses were \$3,280,779 in 2019 and \$8,933,196 in 2018.

In addition, eligible employees of the Company can participate in Horizon BCBSNJ's Management and Union Employees' Savings and Investment Plans, which are contributory savings plans for management and union employees. All management and union employees with 30 days of service can participate. In 2019 and 2018, the Company's contributions were \$1,301,184 and \$2,709,155, respectively.

### 13) CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI - REORGANIZATIONS

1. The Company has 1,000 shares of common stock authorized, and 900 shares issued and outstanding.
2. The Company has no preferred stock outstanding.
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 is subject to the Holding Company Act, which requires the New Jersey Department of Banking and Insurance (NJDOBI) approval for any dividends that exceed 3% of surplus or 25% of total assets.
4. The Company paid no dividends in 2019 or 2018.
5. Within the limitations of (3) above, there are limited to this year earnings without realized gain and losses paid as ordinary dividends to stockholders.
6. There were no restrictions placed on the Company's surplus.
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 was \$5,724,139.
11. The Company has no surplus notes.
12. There has been no quasi-reorganization.
13. There has been no quasi-reorganization.

### 14) LIABILITIES, CONTINGENCIES AND ASSESSMENTS

- A. Contingent commitments-None
- B. Assessments-None
- 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

### 15) LEASES

Total rent expense for operating leases in 2019 and same period in 2018 was approximately \$4,134 and approximately \$2,717,703, respectively.

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

Not applicable

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

Not applicable

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

- A. ASO Plans – None
- B. ASC Plans

## NOTES TO FINANCIAL STATEMENTS

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:

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 2019:			
a.	Gross reimbursement for medical cost incurred	\$ 68,807,541	\$ - \$ 68,807,541
b.	Gross administrative fees accrued	\$ 2,255,584	\$ - \$ 2,255,584
c.	Other income or expenses (including interest paid to	\$ -	\$ - \$ -
d.	Gross expenses incurred (claims and administrative)	\$ 71,063,125	\$ - \$ 71,063,125
e.	Total net gain or loss from operations	\$ -	\$ - \$ -

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 2018:			
a.	Gross reimbursement for medical cost incurred	\$ 61,844,640	\$ - \$ 61,844,640
b.	Gross administrative fees accrued	\$ 2,446,043	\$ - \$ 2,446,043
c.	Other income or expenses (including interest paid to	\$ -	\$ - \$ -
d.	Gross expenses incurred (claims and administrative)	\$ 64,290,683	\$ - \$ 64,290,683
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

Assets and liabilities that are required to be reported at fair value should be classified in a hierarchy for disclosure purposes consisting of three levels based on the observability of inputs used to determine fair value. The levels are as follows:

- Level 1 – Unadjusted observable inputs for identical assets, such as quoted market prices in active markets at the measurement date.
- Level 2 – Inputs other than quoted prices in active markets that are either directly or indirectly observable.
- Level 3 – Unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions.

December 31, 2019	Level I	Level II	Level III	Total
Fixed income debt securities				
Corporate bonds, available-for-sale, at fair value	-	79,875	-	79,875
<b>Total fixed income debt securities</b>	<b>-</b>	<b>79,875</b>	<b>-</b>	<b>79,875</b>
Equity securities				
Domestic Common Stocks	\$ 23,059,633	\$ -	\$ -	\$ 23,059,633
Foreign Common Stocks	25,646,844	-	-	25,646,844
Preferred Stocks	327,600	-	-	327,600
<b>Total equity securities</b>	<b>49,034,077</b>	<b>-</b>	<b>-</b>	<b>49,034,077</b>
<b>Total</b>	<b>\$ 49,034,077</b>	<b>\$ 79,875</b>	<b>\$ -</b>	<b>\$ 49,113,952</b>

December 31, 2018	Level I	Level II	Level III	Total
Fixed income debt securities				
Corporate bonds, available-for-sale, at fair value	\$ -	\$ 230,062	\$ -	\$ 230,062
Collateralized securities, available-for-sale, at fair value	-	553,427	-	553,427
<b>Total fixed income debt securities</b>	<b>-</b>	<b>783,489</b>	<b>-</b>	<b>783,489</b>
Equity securities				
Domestic Common Stocks	116,836,513	-	-	116,836,513
Foreign Common Stocks	41,793,494	-	-	41,793,494
Preferred Stocks	349,696	-	-	349,696
<b>Total equity securities</b>	<b>158,979,703</b>	<b>-</b>	<b>-</b>	<b>158,979,703</b>
<b>Total</b>	<b>\$ 158,979,703</b>	<b>\$ 783,489</b>	<b>\$ -</b>	<b>\$ 159,763,191</b>

### C. Aggregate Fair Value by Hierarchical Level

## NOTES TO FINANCIAL STATEMENTS

2019

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets (Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bond	\$ 830,612,044	\$ 810,732,189	\$ 830,612,044	\$ -	\$ -
CMO	138,353,598	135,583,550	138,353,598	-	-
MBS	290,887,521	286,675,443	290,887,521	-	-
Perpetual Preferred Stocks	901,492	825,150	901,492	-	-
Common Stock	48,706,477	48,706,477	48,706,477	-	-
Cash and Cash Equivalents	77,752,027	77,746,625	52,325,184	3,497,284	21,929,559
<b>Total:</b>	<b>\$ 1,387,213,159</b>	<b>\$ 1,360,269,434</b>	<b>\$ 1,019,933,154</b>	<b>\$ 1,263,350,447</b>	<b>\$ -</b>

## D. Not Practicable Estimate Fair Value Detail

2019

Type or Class of Financial Instrument	CUSIP	Lot	Security Description	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
<b>Cash and Cash Equivalents</b>							
CASHUS-D0-0			1 JP MORGAN BANK DEPOSIT SWEEP	\$ 29,652	0.00004		
CASHUS-D0-1			2 JP MORGAN BANK DEPOSIT SWEEP	-	0.00004		
CASHUS-D0-2			3 JP MORGAN BANK DEPOSIT SWEEP	1,256,200	0.00004		
CASHUS-D0-3			4 JP MORGAN BANK DEPOSIT SWEEP	19,435,564	0.00004		
CASHUS-D0-4			5 JP MORGAN BANK DEPOSIT SWEEP	-	0.00004		
CASHUS-D0-5			6 JP MORGAN BANK DEPOSIT SWEEP	-	0.00004		
CASHUS-D0-6			7 JP MORGAN BANK DEPOSIT SWEEP	1,100,123	0.00004		
CASHUS-D0-7			8 JP MORGAN BANK DEPOSIT SWEEP	108,020	0.00004		
<b>Total Cash and Cash Equivalents</b>				<b>\$ 21,929,559</b>			

## 21. OTHER ITEMS

- A. Unusual or infrequent items – None
- B. Trouble Debt Restructuring – None
- C. Other Disclosures – None
- 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 (ILS) Contracts – 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, 2020.

On January 1, 2020, the Company will be subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for an U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. As of Dec. 31, 2019, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2020, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2020 to be \$7,761,397. This amount is reflected in special surplus. This assessment is expected to impact risk based capital (RBC) by approximately 36 percentage points. Reporting the ACA assessment as of December 31, 2019, would not have triggered an RBC action level.

		Current Year	Prior Year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	YES	
B.	ACA fee assessment payable for the upcoming year		7,761,397
C.	ACA fee assessment paid		-
D.	Premium written subject to ACA 9010 assessment		5,464,789,857
E.	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)		1,115,145,737
F.	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus 22B above)		1,107,384,340
G.	Authorized Control Level (Five-Year Historical Line 15)		21,842,740
H.	Would reporting the ACA assessment as of Dec. 31, 2019 triggered an RBC action level (YES/NO)?	NO	

## 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)

## NOTES TO FINANCIAL STATEMENTS

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? \$497,580,775

- (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.

### 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. \$79,032,532 reduction 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

**NOTES TO FINANCIAL STATEMENTS**

**24) RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION**

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 (Col 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	1,324,534	-	-	-	1,324,534	-	-	-	A	1,324,534	-
2	Premium adjustment (payable)	-	-	-	-	-	-	-	-	B	-	-
3	Subtotal ACA Permanent Risk Adjustment Program	1,324,534	-	-	-	1,324,534	-	-	-		1,324,534	-
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	-	-
Liabilities for contributions payable due to ACA reinsurance -												
4	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	1,324,534	-	-	-	1,324,534	-	-	-		1,324,534	-

**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
<b>Prior Reporting Year</b>					
(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	\$ -
<b>Current Reporting Year-to-Date</b>					
(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	\$ -

**25) CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES**

Reserves for incurred claims attributed to insured events of prior years of \$1,905,716, on a direct basis, unfavorably impacted 2019 results of operations 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**

The Company reported a receivable from its pharmacy benefits manager for pharmacy rebates.

**29) PARTICIPATING POLICIES**

Not applicable

**30) PREMIUM DEFICIENCY RESERVES**

Not applicable

**31) ANTICIPATED SALVAGE AND SUBROGATION**

Not applicable

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ X ] No [ ]  
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? New Jersey.....
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [ ] No [ X ]
- 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 [ X ]
- 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. ....12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....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 [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [ X ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [ ] No [ X ]
- 4.12 renewals? Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [ ] No [ X ]
- 4.22 renewals? Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]  
 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 [ X ]
- 6.2 If yes, give full information .....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [ X ]
- 7.2 If yes, .....0.0 %
- 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 bank holding company regulated by the Federal Reserve Board? Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

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 [ ] No [ X ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain  
The Audit Committee of Horizon BCBSNJ, the reporting entity's ultimate parent, is designated as the Audit Committee for the reporting entity.....
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 PP\_15, 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 [ ] No [ X ]
- 12.11 Name of real estate holding company .....0

12.12 Number of parcels involved .....0

12.13 Total book/adjusted carrying value \$.....
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ 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              | \$..... |
|  | 20.12 To stockholders not officers                | \$..... |
|  | 20.13 Trustees, supreme or grand (Fraternal only) | \$..... |
- 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              | \$..... |
|  | 20.22 To stockholders not officers                | \$..... |
|  | 20.23 Trustees, supreme or grand (Fraternal only) | \$..... |
- 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   | \$..... |
|  | 21.22 Borrowed from others | \$..... |
|  | 21.23 Leased from others   | \$..... |
|  | 21.24 Other                | \$..... |
- 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 | \$.....2,030,875 |
|  | 22.22 Amount paid as expenses                  | \$.....0         |
|  | 22.23 Other amounts paid                       | \$.....0         |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ ] No [ X ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....

### INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [ X ] No [ ]
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] NA [ X ]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] NA [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] NA [ X ]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] NA [ X ]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- |        |   |          |
|--------|---|----------|
| 24.101 | Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2                   | \$.....0 |
| 24.102 | Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$.....0 |
| 24.103 | Total payable for securities lending reported on the liability page                                       | \$.....0 |

## GENERAL INTERROGATORIES

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [ X ] No [ ]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- |   |          |             |
|---|----------|-------------|
| 25.21 Subject to repurchase agreements  | \$ ..... | 0           |
| 25.22 Subject to reverse repurchase agreements  | \$ ..... | 0           |
| 25.23 Subject to dollar repurchase agreements   | \$ ..... | 0           |
| 25.24 Subject to reverse dollar repurchase agreements                                 | \$ ..... | 0           |
| 25.25 Placed under option agreements  | \$ ..... | 0           |
| 25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock | \$ ..... | 0           |
| 25.27 FHLB Capital Stock  | \$ ..... | 139,800     |
| 25.28 On deposit with states  | \$ ..... | 73,721,068  |
| 25.29 On deposit with other regulatory bodies   | \$ ..... | 0           |
| 25.30 Pledged as collateral – excluding collateral pledged to an FHLB                 | \$ ..... | 0           |
| 25.31 Pledged as collateral to FHLB – including assets backing funding agreements     | \$ ..... | 130,853,720 |
| 25.32 Other   | \$ ..... | 0           |

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [ X ]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. Yes [ ] No [ ] N/A [ X ]

LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [ ] No [ X ]
- 26.4 If the response to 26.3 is YES, does the reporting entity utilize:
- |  |                  |
|--|------------------|
| 26.41 Special accounting provision of SSAP No. 108 | Yes [ ] No [ X ] |
| 26.42 Permitted accounting practice                | Yes [ ] No [ X ] |
| 26.43 Other accounting guidance                    | Yes [ ] No [ X ] |
- 26.5 By responding YES to 26.41 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.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [ X ]
- 27.2 If yes, state the amount thereof at December 31 of the current year. \$ .....
28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [ X ] No [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase.....	New York, NY.....
Wells Fargo Bank.....	San Francisco, CA.....
TD Bank.....	Cherry Hill, NJ.....

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
BNY Mellon.....	New York, NY.....	The company utilized BNY Mellon for its short-term investments.....

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

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

## GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
Prudential Investment Mgmt, Inc.....	U.....
Black Rock, Inc.....	U.....
Lazard Asset Management, LLC.....	U.....
.....	.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets? Yes [ ] No [ X ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity’s invested assets? Yes [ ] No [ X ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

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
105676.....	Prudential Investment Management, Inc.....	5493009SX8QJBZY1GB87.....	SEC.....	NO.....
105958.....	Black Rock, Inc.....	549300LVXY1VJKE13M84.....	SEC.....	NO.....
122836.....	Lazard Asset Management, LLC.....	P11BQ116K7EXV2Q96E20.....	SEC.....	NO.....

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2001 52106N-88-9.....	LAZARD EM FDS.....	6,044,958
29.2002 .....	.....	0
29.2003 .....	.....	0
29.2999 TOTAL		6,044,958

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund’s Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
LAZARD EM FDS.....	CHINA CONST BA-.....	313,226	12/31/2019.....
LAZARD EM FDS.....	SAMSUNG ELECTRO.....	296,557	12/31/2019.....
LAZARD EM FDS.....	SK HYNIX INC.....	205,033	12/31/2019.....
LAZARD EM FDS.....	BANCO DO BRASIL.....	195,403	12/31/2019.....
LAZARD EM FDS.....	SBERBANK CLS.....	187,003	12/31/2019.....

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	1,236,483,064	1,263,350,447	26,867,383
30.2 Preferred Stocks.....	825,150	901,492	76,342
30.3 Totals	1,237,308,215	1,264,251,940	26,943,725

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

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

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

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

31.3 If the answer to 31.2 is no, describe the reporting entity’s process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

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

32.2 If no, list exceptions:

## GENERAL INTERROGATORIES

33. 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 [  ] No [  ]
34. 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 [  ]
35. 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 [  ]

### OTHER

- 36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ .....2,971,177
- 36.2 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.....	\$.....2,971,177

- 37.1 Amount of payments for legal expenses, if any? \$ .....0
- 37.2 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
.....	\$.....
.....	\$.....
.....	\$.....

- 38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$ .....0
- 38.2 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 lives .....0
- All years prior to most current three years:
- 1.64 Total premium earned \$ .....0
- 1.65 Total incurred claims \$ .....0
- 1.66 Number of covered lives .....0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ .....0
- 1.72 Total incurred claims \$ .....0
- 1.73 Number of covered lives .....0
- All years prior to most current three years:
- 1.74 Total premium earned \$ .....0
- 1.75 Total incurred claims \$ .....0
- 1.76 Number of covered lives .....0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$ .....546,231,119		\$ .....539,707,068
2.2	Premium Denominator	\$ .....546,487,984		\$ .....539,087,425
2.3	Premium Ratio (2.1/2.2)	.....1.000		.....1.001
2.4	Reserve Numerator	\$ .....46,384,094		\$ .....45,863,812
2.5	Reserve Denominator	\$ .....47,093,298		\$ .....46,316,150
2.6	Reserve Ratio (2.4/2.5)	.....0.985		.....0.990

- 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:  
Contracts with participating providers conventional hold harmless and completion of treatment provisions. In addition, the reporting entity has entered into a parental support agreement with its ultimate parent, Horizon Healthcare Services, Inc.
- 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 conventional hold harmless and completion of treatment provisions. In addition, the reporting entity has entered into a parental support agreement with its ultimate parent, Horizon Healthcare Services, Inc.
- 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 year .....22,908
- 8.2 Number of providers at end of reporting year .....24,307
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ ] No [ X ]
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months .....
- 9.22 Business with rate guarantees over 36 months .....

# 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. \$.....43,685,480

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 calculation

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

1 Name of Service Area
All 21 Counties in 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 2019	2 2018	3 2017	4 2016	5 2015
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	1,342,451,504	1,228,001,571	1,354,728,122	1,601,467,372	1,439,404,015
2. Total liabilities (Page 3, Line 24)	227,305,767	172,139,791	310,138,645	603,464,984	589,317,426
3. Statutory minimum capital and surplus requirement	43,685,480	49,972,577	65,844,936	164,206,353	155,511,619
4. Total capital and surplus (Page 3, Line 33)	1,115,145,737	1,055,861,781	1,044,589,477	998,002,386	850,086,591
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8)	546,231,117	539,707,068	506,237,244	4,868,044,128	4,561,512,758
6. Total medical and hospital expenses (Line 18)	490,367,970	469,661,062	448,938,886	4,226,732,901	4,010,313,517
7. Claims adjustment expenses (Line 20)	12,591,477	15,716,066	13,559,459	135,582,998	188,459,188
8. Total administrative expenses (Line 21)	59,274,186	54,827,338	32,624,097	342,188,657	295,360,958
9. Net underwriting gain (loss) (Line 24)	(16,002,516)	(497,398)	11,114,802	163,539,572	67,379,095
10. Net investment gain (loss) (Line 27)	68,328,151	48,171,715	41,667,100	41,675,205	39,868,864
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	51,268,063	26,311,583	44,197,079	151,244,781	71,974,602
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11)	2,385,660	10,940,946	(311,144,648)	112,990,882	93,834,965
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital	1,115,145,737	1,055,861,781	1,044,589,477	998,002,386	850,086,591
15. Authorized control level risk-based capital	21,842,740	24,986,289	32,922,468	164,206,353	155,511,619
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	845,022	866,397	878,351	897,267	850,138
17. Total members months (Column 6, Line 7)	10,258,885	10,648,274	10,667,318	10,578,334	10,357,580
<b>Operating Percentage</b> (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)	89.8	87.0	88.7	86.8	87.9
20. Cost containment expenses	1.4	2.1	1.9	1.8	2.4
21. Other claims adjustment expenses	0.9	0.8	0.8	1.0	1.7
22. Total underwriting deductions (Line 23)	102.9	100.1	97.8	96.6	98.5
23. Total underwriting gain (loss) (Line 24)	(2.9)	(0.1)	2.2	3.4	1.5
<b>Unpaid Claims Analysis</b>					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	33,887,384	40,775,109	116,183,559	357,483,140	389,426,793
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	45,863,810	64,573,914	440,290,006	403,137,780	425,520,238
<b>Investments In Parent, Subsidiaries and Affiliates</b>					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, 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	0	0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above	0	0	0	0	0

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

If no, please explain

**SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS**

Allocated by States and Territories

State, Etc.	1 Active Status (a)	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
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	19,420,100	289,637,434	5,155,822,323				5,464,879,857	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
59. Subtotal	XXX		19,420,100	289,637,434	5,155,822,323	0	0	0	5,464,879,857	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	XXX		19,420,100	289,637,434	5,155,822,323	0	0	0	5,464,879,857	0
<b>DETAILS OF WRITE-INS</b>										
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
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX		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

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

NAIC#	Federal Employee #	
-----	-----	
55069	22-0999690	I. Horizon Healthcare Services, Inc. (1)
	22-2561496	A. 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
	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.

(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.

# ALPHABETICAL INDEX

## ANNUAL STATEMENT BLANK

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

# ALPHABETICAL INDEX

---

## ANNUAL STATEMENT BLANK (Continued)

Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17
Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C – Section 2	SI13
Schedule DB – Part D – Section 1	E22
Schedule DB – Part D – Section 2	E23
Schedule DB – Part E	E24
Schedule DB – Verification	SI14
Schedule DL – Part 1	E25
Schedule DL – Part 2	E26
Schedule E – Part 1 – Cash	E27
Schedule E – Part 2 – Cash Equivalents	E28
Schedule E – Part 2 - Verification Between Years	SI15
Schedule E – Part 3 – Special Deposits	E29
Schedule S – Part 1 – Section 2	31
Schedule S – Part 2	32
Schedule S – Part 3 – Section 2	33
Schedule S – Part 4	34
Schedule S – Part 5	35
Schedule S – Part 6	36
Schedule S – Part 7	37
Schedule T – Part 2 – Interstate Compact	39
Schedule T – Premiums and Other Considerations	38
Schedule Y – Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y– Part 1A – Detail of Insurance Holding Company System	41
Schedule Y – Part 2 – Summary of Insurer’s Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4
Summary Investment Schedule	SI01

# ALPHABETICAL INDEX

---

## ANNUAL STATEMENT BLANK (Continued)

Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit – Part 1	8
Underwriting and Investment Exhibit – Part 2	9
Underwriting and Investment Exhibit – Part 2A	10
Underwriting and Investment Exhibit – Part 2B	11
Underwriting and Investment Exhibit – Part 2C	12
Underwriting and Investment Exhibit – Part 2D	13
Underwriting and Investment Exhibit – Part 3	14

