



# HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2020  
OF THE CONDITION AND AFFAIRS OF THE

## AMERIGROUP New Jersey, Inc.

NAIC Group Code 0671 0671 NAIC Company Code 95373 Employer's ID Number 22-3375292  
(Current) (Prior)

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

Country of Domicile United States of America

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [ ] No [ X ]

Incorporated/Organized 04/03/1995 Commenced Business 02/01/1996

Statutory Home Office 101 Wood Avenue South, 8th Floor, Iselin, NJ, US 08830  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 4425 Corporation Lane  
(Street and Number)  
Virginia Beach, VA, US 23462, 757-490-6900  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 4425 Corporation Lane, Virginia Beach, VA, US 23462  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 4425 Corporation Lane  
(Street and Number)  
Virginia Beach, VA, US 23462, 757-490-6900  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address WWW.AMERIGROUP.COM

Statutory Statement Contact Bette Lou Gronseth, 757-518-3638  
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### OFFICERS

Chairperson <u>Teresa Thomas Hursey #</u>	Vice President/Asst. Secretary <u>Jack Louis Young</u>
President & CEO <u>Teresa Thomas Hursey</u>	Secretary <u>Kathleen Susan Kiefer</u>

### OTHER

Vincent Edward Scher, Treasurer Eric (Rick) Kenneth Noble, Assistant Treasurer

### DIRECTORS OR TRUSTEES

Teresa Thomas Hursey Jack Louis Young Ronald William Penczek

State of New Jersey SS:  
 County of Middlesex

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.

<p>DocuSigned by:    <u>4475FB25AD6349D...</u>          Teresa Thomas Hursey          Chairperson, President &amp; CEO</p>	<p>DocuSigned by:    <u>A85A33722D4143E...</u>          Vincent Edward Scher          Treasurer</p>	<p>DocuSigned by:    <u>34259124741844A...</u>          Kathleen Susan Kiefer          Secretary</p>
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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 2020 OF THE Amerigroup New Jersey, Inc.

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	307,870,531		307,870,531	252,126,879
2. Stocks (Schedule D):				
2.1 Preferred stocks .....			0	
2.2 Common stocks .....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	
3.2 Other than first liens .....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	
4.3 Properties held for sale (less \$ encumbrances) .....			0	
5. Cash (\$ .....149,539,751 , Schedule E - Part 1), cash equivalents (\$ .....44,649,437 , Schedule E - Part 2) and short-term investments (\$ .....1,299,884 , Schedule DA) .....	195,489,072		195,489,072	69,252,686
6. Contract loans, (including \$ ..... premium notes) .....			0	
7. Derivatives (Schedule DB) .....			0	
8. Other invested assets (Schedule BA) .....			0	
9. Receivables for securities .....			0	
10. Securities lending reinvested collateral assets (Schedule DL) .....	3,076,001		3,076,001	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	506,435,604	0	506,435,604	321,379,565
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	
14. Investment income due and accrued .....	2,837,972	0	2,837,972	2,646,690
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	19,479,122	0	19,479,122	16,214,389
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	
15.3 Accrued retrospective premiums (\$ .....535,442 ) and contracts subject to redetermination (\$ .....7,296,771 ) .....	7,832,213	0	7,832,213	8,209,981
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	
16.2 Funds held by or deposited with reinsured companies .....			0	
16.3 Other amounts receivable under reinsurance contracts .....			0	
17. Amounts receivable relating to uninsured plans .....	3,633,969	0	3,633,969	72,355
18.1 Current federal and foreign income tax recoverable and interest thereon .....	2,394,518	0	2,394,518	0
18.2 Net deferred tax asset .....	4,309,638	1,023,617	3,286,021	2,208,764
19. Guaranty funds receivable or on deposit .....			0	
20. Electronic data processing equipment and software .....			0	
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	10,051	10,051	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	
23. Receivables from parent, subsidiaries and affiliates .....			0	
24. Health care (\$ .....3,512,496 ) and other amounts receivable .....	4,937,777	1,425,281	3,512,496	6,417,563
25. Aggregate write-ins for other than invested assets .....	3,076,990	3,076,990	0	187,000
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	554,947,854	5,535,939	549,411,915	357,336,307
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	
28. Total (Lines 26 and 27)	554,947,854	5,535,939	549,411,915	357,336,307
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Goodwill .....	0	0	0	187,000
2502. Prepaid Expenses .....	3,076,990	3,076,990	0	0
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	3,076,990	3,076,990	0	187,000

**LIABILITIES, CAPITAL AND SURPLUS**

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....0 reinsurance ceded) .....	167,586,446		167,586,446	122,139,289
2. Accrued medical incentive pool and bonus amounts .....	12,770,080		12,770,080	12,420,044
3. Unpaid claims adjustment expenses .....	4,089,146		4,089,146	2,947,029
4. Aggregate health policy reserves, including the liability of \$ .....0 for medical loss ratio rebate per the Public Health Service Act .....	85,572,964		85,572,964	9,447,798
5. Aggregate life policy reserves .....			0	
6. Property/casualty unearned premium reserves .....			0	
7. Aggregate health claim reserves .....	126,111		126,111	104,298
8. Premiums received in advance .....	3,385		3,385	1,787
9. General expenses due or accrued .....	45,709,644		45,709,644	11,157,136
10.1 Current federal and foreign income tax payable and interest thereon (including \$ ..... on realized capital gains (losses)) .....			0	758,323
10.2 Net deferred tax liability .....			0	
11. Ceded reinsurance premiums payable .....			0	
12. Amounts withheld or retained for the account of others .....	3,261		3,261	914
13. Remittances and items not allocated .....	2,099,568		2,099,568	1,882,614
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	
15. Amounts due to parent, subsidiaries and affiliates .....	5,071,525		5,071,525	11,706,714
16. Derivatives .....			0	
17. Payable for securities .....	3,500,000		3,500,000	0
18. Payable for securities lending .....	3,076,001		3,076,001	0
19. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers, \$ .....0 unauthorized reinsurers and \$ .....0 certified reinsurers) .....			0	
20. Reinsurance in unauthorized and certified (\$ ..... ) companies .....			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	
22. Liability for amounts held under uninsured plans .....	24,421		24,421	486,572
23. Aggregate write-ins for other liabilities (including \$ .....19,543,824 current) .....	22,786,643	0	22,786,643	1,870,175
24. Total liabilities (Lines 1 to 23) .....	352,419,195	0	352,419,195	174,922,693
25. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	22,369,496
26. Common capital stock .....	XXX	XXX	10	10
27. Preferred capital stock .....	XXX	XXX		
28. Gross paid in and contributed surplus .....	XXX	XXX	40,322,020	40,322,020
29. Surplus notes .....	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
31. Unassigned funds (surplus) .....	XXX	XXX	156,670,690	119,722,088
32. Less treasury stock, at cost:				
32.1 ..... shares common (value included in Line 26 \$ ..... ) .....	XXX	XXX		
32.2 ..... shares preferred (value included in Line 27 \$ ..... ) .....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32) .....	XXX	XXX	196,992,720	182,413,614
34. Total liabilities, capital and surplus (Lines 24 and 33) .....	XXX	XXX	549,411,915	357,336,307
<b>DETAILS OF WRITE-INS</b>				
2301. Escheat Liability .....	3,468,229		3,468,229	1,470,396
2302. Other Claims Payable .....	503,930		503,930	387,156
2303. Other Premium Liability .....	114,484		114,484	12,623
2398. Summary of remaining write-ins for Line 23 from overflow page .....	18,700,000	0	18,700,000	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) .....	22,786,643	0	22,786,643	1,870,175
2501. Estimated ACA Health Insurer fee .....	XXX	XXX	0	22,369,496
2502. ....	XXX	XXX		
2503. ....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	XXX	XXX	0	22,369,496
3001. ....	XXX	XXX		
3002. ....	XXX	XXX		
3003. ....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page .....	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above) .....	XXX	XXX	0	0

**STATEMENT OF REVENUE AND EXPENSES**

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	2,683,523	2,256,379
2. Net premium income ( including \$ ..... non-health premium income) .....	XXX	1,759,048,006	1,452,529,575
3. Change in unearned premium reserves and reserve for rate credits .....	XXX	(76,474,747)	(590,212)
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	1,682,573,259	1,451,939,363
<b>Hospital and Medical:</b>			
9. Hospital/medical benefits .....		781,868,892	679,016,931
10. Other professional services .....		195,407,586	170,777,350
11. Outside referrals .....		0	
12. Emergency room and out-of-area .....		236,704,077	237,750,573
13. Prescription drugs .....		192,393,538	181,377,100
14. Aggregate write-ins for other hospital and medical .....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts .....		11,553,844	15,100,383
16. Subtotal (Lines 9 to 15) .....	0	1,417,927,937	1,284,022,337
<b>Less:</b>			
17. Net reinsurance recoveries .....		0	
18. Total hospital and medical (Lines 16 minus 17) .....	0	1,417,927,937	1,284,022,337
19. Non-health claims (net) .....			
20. Claims adjustment expenses, including \$ .....62,304,919 cost containment expenses .....		84,338,726	76,783,394
21. General administrative expenses .....		141,537,202	82,495,800
22. Increase in reserves for life and accident and health contracts (including \$ ..... increase in reserves for life only) .....		0	(4,362,070)
23. Total underwriting deductions (Lines 18 through 22) .....	0	1,643,803,865	1,438,939,461
24. Net underwriting gain or (loss) (Lines 8 minus 23) .....	XXX	38,769,394	12,999,902
25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....		6,602,375	6,876,025
26. Net realized capital gains (losses) less capital gains tax of \$ .....83,832 .....		336,393	90,117
27. Net investment gains (losses) (Lines 25 plus 26) .....	0	6,938,768	6,966,142
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ..... ) (amount charged off \$ .....(36,426) )] .....		(36,426)	(14,362)
29. Aggregate write-ins for other income or expenses .....	0	1,335,364	581,807
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	47,007,100	20,533,489
31. Federal and foreign income taxes incurred .....	XXX	15,254,348	1,656,374
32. Net income (loss) (Lines 30 minus 31) .....	XXX	31,752,752	18,877,115
<b>DETAILS OF WRITE-INS</b>			
0601. ....	XXX		
0602. ....	XXX		
0603. ....	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page .....	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above) .....	XXX	0	0
0701. ....	XXX		
0702. ....	XXX		
0703. ....	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page .....	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above) .....	XXX	0	0
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above) .....	0	0	0
2901. Miscellaneous (expense) income .....		1,335,364	581,807
2902. ....			
2903. ....			
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above) .....	0	1,335,364	581,807



**STATEMENT OF REVENUE AND EXPENSES (Continued)**

	1 Current Year	2 Prior Year
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
33. Capital and surplus prior reporting year.....	182,413,614	163,828,289
34. Net income or (loss) from Line 32.....	31,752,752	18,877,115
35. Change in valuation basis of aggregate policy and claim reserves.....		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....(2,707)	(10,185)	6,239
37. Change in net unrealized foreign exchange capital gain or (loss).....		
38. Change in net deferred income tax.....	1,244,559	(1,505,760)
39. Change in nonadmitted assets.....	291,980	1,207,731
40. Change in unauthorized and certified reinsurance.....	0	
41. Change in treasury stock.....	0	
42. Change in surplus notes.....	0	
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in.....	0	
44.2 Transferred from surplus (Stock Dividend).....	0	
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in.....	0	
45.2 Transferred to capital (Stock Dividend).....		
45.3 Transferred from capital.....		
46. Dividends to stockholders.....	(18,700,000)	
47. Aggregate write-ins for gains or (losses) in surplus.....	0	0
48. Net change in capital and surplus (Lines 34 to 47).....	14,579,106	18,585,325
49. Capital and surplus end of reporting period (Line 33 plus 48)	196,992,720	182,413,614
<b>DETAILS OF WRITE-INS</b>		
4701. ....		
4702. ....		
4703. ....		
4798. Summary of remaining write-ins for Line 47 from overflow page.....	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	1,755,813,057	1,452,826,383
2. Net investment income .....	10,888,173	11,122,022
3. Miscellaneous income .....	0	
4. Total (Lines 1 through 3) .....	1,766,701,230	1,463,948,405
5. Benefit and loss related payments .....	1,368,390,448	1,258,123,489
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7. Commissions, expenses paid and aggregate write-ins for deductions .....	192,421,500	158,909,336
8. Dividends paid to policyholders .....		
9. Federal and foreign income taxes paid (recovered) net of \$ ..... 83,832 tax on capital gains (losses) .....	18,491,021	534,502
10. Total (Lines 5 through 9) .....	1,579,302,969	1,417,567,327
11. Net cash from operations (Line 4 minus Line 10) .....	187,398,261	46,381,078
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	62,073,745	52,408,014
12.2 Stocks .....	0	
12.3 Mortgage loans .....	0	
12.4 Real estate .....	0	
12.5 Other invested assets .....	0	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	3,184	5,397
12.7 Miscellaneous proceeds .....	3,500,000	724,362
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	65,576,929	53,137,773
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	121,972,773	55,246,419
13.2 Stocks .....	0	
13.3 Mortgage loans .....	0	
13.4 Real estate .....	0	
13.5 Other invested assets .....	0	
13.6 Miscellaneous applications .....	3,076,001	1,477,138
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	125,048,774	56,723,557
14. Net increase (decrease) in contract loans and premium notes .....	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(59,471,845)	(3,585,784)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	
16.2 Capital and paid in surplus, less treasury stock .....	0	
16.3 Borrowed funds .....	0	
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	
16.5 Dividends to stockholders .....	0	41,100,000
16.6 Other cash provided (applied) .....	(1,690,030)	2,089,324
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(1,690,030)	(39,010,676)
<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) .....	126,236,386	3,784,619
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	69,252,686	65,468,068
19.2 End of year (Line 18 plus Line 19.1) .....	195,489,072	69,252,686

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

20.0001. Depreciation .....	213,521	582,309
20.0002. Amortization .....	188,667	1,378,708

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup 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 Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,759,048,006	39,632,904	0	0	0	0	436,792,072	1,282,623,030	0	0
2. Change in unearned premium reserves and reserve for rate credit	(76,474,747)	(517,220)	0	0	0	0	(39,009,580)	(36,947,947)	0	0
3. Fee-for-service (net of \$ medical expenses)	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	1,682,573,259	39,115,684	0	0	0	0	397,782,492	1,245,675,083	0	0
8. Hospital/medical benefits	781,868,892	11,358,064	0	0	0	0	195,070,289	575,440,539	0	XXX
9. Other professional services	195,407,586	5,849,329	0	0	0	0	17,309,191	172,249,066	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	236,704,077	2,300,987	0	0	0	0	106,285,949	128,117,141	0	XXX
12. Prescription drugs	192,393,538	3,335,677	0	0	0	0	27,605,500	161,452,361	0	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	11,553,844	858,434	0	0	0	0	2,165,136	8,530,274	0	XXX
15. Subtotal (Lines 8 to 14)	1,417,927,937	23,702,491	0	0	0	0	348,436,065	1,045,789,381	0	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	1,417,927,937	23,702,491	0	0	0	0	348,436,065	1,045,789,381	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 62,304,919 cost containment expenses	84,338,726	3,359,268	0	0	0	0	19,903,823	61,075,635	0	0
20. General administrative expenses	141,537,202	5,637,523	0	0	0	0	33,402,585	102,497,094	0	0
21. Increase in reserves for accident and health contracts	0	0	0	0	0	0	0	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	1,643,803,865	32,699,282	0	0	0	0	401,742,473	1,209,362,110	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	38,769,394	6,416,402	0	0	0	0	(3,959,981)	36,312,973	0	0
DETAILS OF WRITE-INS										
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 thru 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	0
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 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 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 - PREMIUMS**

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) .....	39,632,904	0	0	39,632,904
2. Medicare Supplement .....	0	0	0	0
3. Dental only .....	0	0	0	0
4. Vision only .....	0	0	0	0
5. Federal Employees Health Benefits Plan .....	0	0	0	0
6. Title XVIII - Medicare .....	436,792,072	0	0	436,792,072
7. Title XIX - Medicaid .....	1,282,623,030	0	0	1,282,623,030
8. Other health .....	0	0	0	0
9. Health subtotal (Lines 1 through 8) .....	1,759,048,006	0	0	1,759,048,006
10. Life .....	0	0	0	0
11. Property/casualty .....	0	0	0	0
12. Totals (Lines 9 to 11)	1,759,048,006	0	0	1,759,048,006

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup 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	1,357,186,640	23,383,645	0	0	0	0	316,508,034	1,017,294,961	0	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4 Net	1,357,186,640	23,383,645	0	0	0	0	316,508,034	1,017,294,961	0	0
2. Paid medical incentive pools and bonuses	11,203,808	315,645	0	0	0	0	5,606,570	5,281,593	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	167,586,446	1,205,364	0	0	0	0	52,544,450	113,836,632	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	167,586,446	1,205,364	0	0	0	0	52,544,450	113,836,632	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	126,111	0	0	0	0	0	0	126,111	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	126,111	0	0	0	0	0	0	126,111	0	0
5. Accrued medical incentive pools and bonuses, current year	12,770,080	629,808	0	0	0	0	2,743,147	9,397,125	0	0
6. Net healthcare receivables (a)	(3,718,483)	454,206	0	0	0	0	(2,897,393)	(1,275,296)	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	122,139,289	1,290,746	0	0	0	0	25,678,950	95,169,593	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	122,139,289	1,290,746	0	0	0	0	25,678,950	95,169,593	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	104,298	0	0	0	0	0	0	104,298	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	104,298	0	0	0	0	0	0	104,298	0	0
10. Accrued medical incentive pools and bonuses, prior year	12,420,044	87,020	0	0	0	0	6,184,580	6,148,444	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	1,406,374,093	22,844,057	0	0	0	0	346,270,927	1,037,259,109	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	1,406,374,093	22,844,057	0	0	0	0	346,270,927	1,037,259,109	0	0
13. Incurred medical incentive pools and bonuses	11,553,844	858,433	0	0	0	0	2,165,137	8,530,274	0	0

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

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR**

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct .....	30,223,037	607,792	.0	.0	.0	.0	12,201,771	17,413,474	.0	.0
1.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.4 Net .....	30,223,037	607,792	.0	.0	.0	.0	12,201,771	17,413,474	.0	.0
2. Incurred but Unreported:										
2.1 Direct .....	137,363,409	597,572	.0	.0	.0	.0	40,342,679	96,423,158		
2.2 Reinsurance assumed .....	.0									
2.3 Reinsurance ceded .....	.0								.0	.0
2.4 Net .....	137,363,409	597,572	.0	.0	.0	.0	40,342,679	96,423,158	.0	.0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....	.0									.0
3.2 Reinsurance assumed .....	.0									.0
3.3 Reinsurance ceded .....	.0									.0
3.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:										
4.1 Direct .....	167,586,446	1,205,364	.0	.0	.0	.0	52,544,450	113,836,632	.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 .....	167,586,446	1,205,364	0	0	0	0	52,544,450	113,836,632	0	0

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup 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	6
	1	2	3	4	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	1,246,215	22,766,410	5,974	1,199,391	1,252,189	1,290,746
2. Medicare Supplement .....	0	0	0	0	0	0
3. Dental Only .....	0	0	0	0	0	0
4. Vision Only .....	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan .....	0	0	0	0	0	0
6. Title XVIII - Medicare .....	24,283,261	298,264,354	1,352,980	51,191,470	25,636,241	25,678,949
7. Title XIX - Medicaid .....	84,733,384	934,549,276	2,649,713	111,313,029	87,383,097	95,273,892
8. Other health .....	0	0	0	0	0	0
9. Health subtotal (Lines 1 to 8) .....	110,262,860	1,255,580,040	4,008,667	163,703,890	114,271,527	122,243,587
10. Healthcare receivables (a) .....	158,066	4,779,711	0	0	158,066	0
11. Other non-health .....	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts .....	9,347,356	1,856,452	5,137,644	7,632,436	14,485,000	12,420,044
13. Totals (Lines 9 - 10 + 11 + 12)	119,452,150	1,252,656,781	9,146,311	171,336,326	128,598,461	134,663,631

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

## UNDERWRITING AND INVESTMENT EXHIBIT

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

**Section A - Paid Health Claims - Comprehensive (Hospital & Medical)**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior .....	945	996	979	977	977
2. 2016 .....	16,431	17,345	17,328	17,338	17,338
3. 2017 .....	XXX	16,514	17,513	17,509	17,501
4. 2018 .....	XXX	XXX	16,716	17,831	17,842
5. 2019 .....	XXX	XXX	XXX	18,750	20,059
6. 2020 .....	XXX	XXX	XXX	XXX	21,933

**Section B - Incurred Health Claims - Comprehensive (Hospital & 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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior .....	1,014	997	979	977	977
2. 2016 .....	17,657	17,347	17,327	17,338	17,338
3. 2017 .....	XXX	17,629	17,498	17,509	17,501
4. 2018 .....	XXX	XXX	17,667	17,848	17,842
5. 2019 .....	XXX	XXX	XXX	20,110	20,210
6. 2020 .....	XXX	XXX	XXX	XXX	23,617

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)**

Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2016 .....	23,280	17,338	1,825	10.5	19,163	82.3	0	0	19,163	82.3
2. 2017 .....	24,115	17,501	2,148	12.3	19,649	81.5	0	0	19,649	81.5
3. 2018 .....	24,743	17,842	2,283	12.8	20,125	81.3	0	0	20,125	81.3
4. 2019 .....	28,743	20,059	3,260	16.3	23,319	81.1	151	0	23,470	81.7
5. 2020 .....	39,116	21,933	2,944	13.4	24,877	63.6	1,684	42	26,603	68.0



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**

(\$000 Omitted)

**Section A - Paid Health Claims - Title XVIII**

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	12,641	11,090	10,647	10,380	10,383
2.	2016 .....	112,786	125,966	126,807	126,484	126,413
3.	2017 .....	XXX	143,669	158,465	159,667	159,374
4.	2018 .....	XXX	XXX	170,452	190,671	193,444
5.	2019 .....	XXX	XXX	XXX	220,004	246,904
6.	2020 .....	XXX	XXX	XXX	XXX	295,700

**Section B - Incurred Health Claims - Title XVIII**

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 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	12,127	10,753	10,633	10,380	10,383
2.	2016 .....	131,021	126,150	126,663	126,484	126,414
3.	2017 .....	XXX	160,470	159,508	159,834	160,011
4.	2018 .....	XXX	XXX	188,690	194,684	194,437
5.	2019 .....	XXX	XXX	XXX	247,687	249,878
6.	2020 .....	XXX	XXX	XXX	XXX	346,383

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	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. 2016 .....	159,288	126,413	8,664	6.9	135,077	84.8	2	0	135,079	84.8
2. 2017 .....	219,745	159,374	11,666	7.3	171,040	77.8	637	0	171,677	78.1
3. 2018 .....	265,058	193,444	14,606	7.6	208,050	78.5	993	(1)	209,042	78.9
4. 2019 .....	340,441	246,904	20,251	8.2	267,155	78.5	2,973	32	270,160	79.4
5. 2020 .....	397,782	295,700	16,773	5.7	312,473	78.6	50,683	1,208	364,364	91.6

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS**

(\$000 Omitted)

**Section A - Paid Health Claims - Title XIX**

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	69,660	70,806	71,199	71,999	71,926
2. 2016	837,849	925,408	923,854	926,171	926,517
3. 2017	XXX	880,884	966,565	967,639	967,402
4. 2018	XXX	XXX	876,236	961,107	961,770
5. 2019	XXX	XXX	XXX	909,264	997,394
6. 2020	XXX	XXX	XXX	XXX	935,024

**Section B - Incurred Health Claims - Title XIX**

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 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	71,549	70,335	71,258	71,999	72,001
2. 2016	928,430	927,627	924,601	926,186	926,517
3. 2017	XXX	977,336	966,712	968,398	967,860
4. 2018	XXX	XXX	964,894	962,590	962,310
5. 2019	XXX	XXX	XXX	1,008,430	1,000,710
6. 2020	XXX	XXX	XXX	XXX	1,053,993

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX**

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	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. 2016	1,121,746	926,517	55,780	6.0	982,297	87.6	76	0	982,373	87.6
2. 2017	1,122,060	967,402	59,815	6.2	1,027,217	91.5	458	11	1,027,686	91.6
3. 2018	1,091,352	961,770	54,252	5.6	1,016,022	93.1	541	13	1,016,576	93.1
4. 2019	1,082,755	997,394	53,958	5.4	1,051,352	97.1	3,316	39	1,054,707	97.4
5. 2020	1,245,675	935,024	52,496	5.6	987,520	79.3	118,969	2,745	1,109,234	89.0

## 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 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	83,246	82,892	82,825	83,356	83,286
2.	2016 .....	967,066	1,068,719	1,067,989	1,069,993	1,070,268
3.	2017 .....	XXX	1,041,067	1,142,543	1,144,815	1,144,277
4.	2018 .....	XXX	XXX	1,063,404	1,169,609	1,173,056
5.	2019 .....	XXX	XXX	XXX	1,148,018	1,264,357
6.	2020 .....	XXX	XXX	XXX	XXX	1,252,657

**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 2016	2 2017	3 2018	4 2019	5 2020
1.	Prior .....	84,690	82,085	82,870	83,356	83,361
2.	2016 .....	1,077,108	1,071,124	1,068,591	1,070,008	1,070,269
3.	2017 .....	XXX	1,155,435	1,143,718	1,145,741	1,145,372
4.	2018 .....	XXX	XXX	1,171,251	1,175,122	1,174,589
5.	2019 .....	XXX	XXX	XXX	1,276,227	1,270,798
6.	2020 .....	XXX	XXX	XXX	XXX	1,423,993

**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 Payment	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. 2016 .....	1,304,314	1,070,268	66,269	6.2	1,136,537	87.1	78	0	1,136,615	87.1
2. 2017 .....	1,365,920	1,144,277	73,629	6.4	1,217,906	89.2	1,095	11	1,219,012	89.2
3. 2018 .....	1,381,153	1,173,056	71,141	6.1	1,244,197	90.1	1,534	12	1,245,743	90.2
4. 2019 .....	1,451,939	1,264,357	77,469	6.1	1,341,826	92.4	6,440	71	1,348,337	92.9
5. 2020 .....	1,682,573	1,252,657	72,213	5.8	1,324,870	78.7	171,336	3,995	1,500,201	89.2

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**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 Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....	0								
2. Additional policy reserves (a) .....	0								
3. Reserve for future contingent benefits .....	0								
4. Reserve for rate credits or experience rating refunds (including \$ ..... ) for investment income .....	85,572,964	339,468					38,698,458	46,535,038	
5. Aggregate write-ins for other policy reserves .....	0	0	0	0	0	0	0	0	0
6. Totals (gross) .....	85,572,964	339,468	0	0	0	0	38,698,458	46,535,038	0
7. Reinsurance ceded .....	0								
8. Totals (Net)(Page 3, Line 4) .....	85,572,964	339,468	0	0	0	0	38,698,458	46,535,038	0
9. Present value of amounts not yet due on claims .....	0								
10. Reserve for future contingent benefits .....	126,111							126,111	
11. Aggregate write-ins for other claim reserves .....	0	0	0	0	0	0	0	0	0
12. Totals (gross) .....	126,111	0	0	0	0	0	0	126,111	0
13. Reinsurance ceded .....	0								
14. Totals (Net)(Page 3, Line 7)	126,111	0	0	0	0	0	0	126,111	0
DETAILS OF WRITE-INS									
0501. ....									
0502. ....									
0503. ....									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101. ....									
1102. ....									
1103. ....									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ ..... 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) .....	1,659,038	783,010	(498,028)	(831)	1,943,189
2. Salary, wages and other benefits .....	47,965,032	11,106,572	24,608,835	41,054	83,721,493
3. Commissions (less \$ ..... ceded plus \$ ..... assumed) .....	0		4,323,410	0	4,323,410
4. Legal fees and expenses .....	879	1,142	1,205,198	2,011	1,209,230
5. Certifications and accreditation fees .....				0	0
6. Auditing, actuarial and other consulting services .....	1,379,383	1,082,121	4,820,877	8,042	7,290,423
7. Traveling expenses .....	122,525	7,379	235,057	392	365,353
8. Marketing and advertising .....	274,837	26,256	10,578,002	17,647	10,896,742
9. Postage, express and telephone .....	650,763	325,984	1,362,671	2,273	2,341,691
10. Printing and office supplies .....	84,964	2,878	105,629	176	193,647
11. Occupancy, depreciation and amortization .....	0		0	0	0
12. Equipment .....	1,214	2,744	503,046	839	507,843
13. Cost or depreciation of EDP equipment and software .....	565,919	178,839	3,986,559	6,651	4,737,968
14. Outsourced services including EDP, claims, and other services .....	6,051,662	3,560,506	4,451,131	7,426	14,070,725
15. Boards, bureaus and association fees .....	2,302		101,501	169	103,972
16. Insurance, except on real estate .....	0		412,709	689	413,398
17. Collection and bank service charges .....	0	1	56,151	94	56,246
18. Group service and administration fees .....	0	31	2,029	3	2,063
19. Reimbursements by uninsured plans .....	0		0	0	0
20. Reimbursements from fiscal intermediaries .....	0		0	0	0
21. Real estate expenses .....	63,155	25,305	1,012,397	1,689	1,102,546
22. Real estate taxes .....	0		89,627	0	89,627
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes .....	0		9,698,171	0	9,698,171
23.2 State premium taxes .....	0		44,366,243	0	44,366,243
23.3 Regulatory authority licenses and fees .....	13,981	579	87,265	0	101,825
23.4 Payroll taxes .....	3,061,352	656,600	1,451,865	0	5,169,817
23.5 Other (excluding federal income and real estate taxes) .....	0		24,448,470	0	24,448,470
24. Investment expenses not included elsewhere .....	0		0	288,000	288,000
25. Aggregate write-ins for expenses .....	407,913	4,273,860	4,128,387	6,887	8,817,047
26. Total expenses incurred (Lines 1 to 25) .....	62,304,919	22,033,807	141,537,202	383,211	(a) 226,259,139
27. Less expenses unpaid December 31, current year .....		4,089,146	45,709,644		49,798,790
28. Add expenses unpaid December 31, prior year .....		2,947,029	11,157,136		14,104,165
29. Amounts receivable relating to uninsured plans, prior year .....			72,354		72,354
30. Amounts receivable relating to uninsured plans, current year .....			3,633,969		3,633,969
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) .....	62,304,919	20,891,690	110,546,309	383,211	194,126,129
<b>DETAILS OF WRITE-INS</b>					
2501. Misc. Expenses .....	407,913	4,273,860	4,128,387	6,887	8,817,047
2502. ....					
2503. ....					
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	407,913	4,273,860	4,128,387	6,887	8,817,047

(a) Includes management fees of \$ .....144,948,153 to affiliates and \$ ..... to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 43,811	41,715
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 6,407,888	6,626,306
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	0	0
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract Loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 314,546	314,546
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	2,869	3,019
10. Total gross investment income	6,769,114	6,985,586
11. Investment expenses		(g) 383,211
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)		383,211
17. Net investment income (Line 10 minus Line 16)		6,602,375
<b>DETAILS OF WRITE-INS</b>		
0901. Miscellaneous Income	(2)	(2)
0902. Securities Lending	2,871	3,021
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	2,869	3,019
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 144,494 accrual of discount less \$ 4,704,016 amortization of premium and less \$ 187,235 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 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 \$ 2,106 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 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	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(12,504)	0	(12,504)	0	0
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	522,365	(99,611)	422,754	(6,104)	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	9,975		9,975	(6,788)	
7. Derivative instruments	0		0		
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	519,836	(99,611)	420,225	(12,892)	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.

**EXHIBIT OF NON-ADMITTED 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
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			0
2.2 Common stocks .....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			0
3.2 Other than first liens .....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			0
4.2 Properties held for the production of income .....			0
4.3 Properties held for sale .....			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) .....			0
6. Contract loans .....			0
7. Derivatives (Schedule DB) .....			0
8. Other invested assets (Schedule BA) .....			0
9. Receivables for securities .....			0
10. Securities lending reinvested collateral assets (Schedule DL) .....			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
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 .....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			0
16.2 Funds held by or deposited with reinsured companies .....			0
16.3 Other amounts receivable under reinsurance contracts .....			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
18.2 Net deferred tax asset .....	1,023,617	853,608	(170,009)
19. Guaranty funds receivable or on deposit .....			0
20. Electronic data processing equipment and software .....			0
21. Furniture and equipment, including health care delivery assets .....	10,051	166,649	156,598
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0
23. Receivable from parent, subsidiaries and affiliates .....			0
24. Health care and other amounts receivable .....	1,425,281	2,238,697	813,416
25. Aggregate write-ins for other than invested assets .....	3,076,990	2,568,965	(508,025)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	5,535,939	5,827,919	291,980
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0
28. Total (Lines 26 and 27)	5,535,939	5,827,919	291,980
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Intangibles .....		1,667	1,667
2502. Prepaids .....	3,076,990	2,567,298	(509,692)
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	3,076,990	2,568,965	(508,025)

**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 .....	192,722	202,447	222,875	238,451	247,378	2,683,523
2. Provider Service Organizations .....						
3. Preferred Provider Organizations .....						
4. Point of Service .....						
5. Indemnity Only .....						
6. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
7. Total	192,722	202,447	222,875	238,451	247,378	2,683,523
<b>DETAILS OF WRITE-INS</b>						
0601. ....						
0602. ....						
0603. ....						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

**1. Summary of Significant Accounting Policies and Going Concern**

**A. Accounting Practices**

The accompanying financial statements of AMERIGROUP New Jersey, Inc. (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* (“NAIC SAP”), subject to any deviations prescribed or permitted by the New Jersey Department of Banking and Insurance (“DOBI”).

A reconciliation of the Company’s net income (loss) and capital and surplus between NAIC SAP and practices prescribed and permitted by the DOBI is shown below:

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2020</u>	<u>2019</u>
<b><u>Net Income</u></b>					
(1) Amerigroup New Jersey state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 31,752,752	\$ 18,877,115
(2) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
(3) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 31,752,752</u>	<u>\$ 18,877,115</u>
<b><u>Surplus</u></b>					
(5) Amerigroup New Jersey state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$196,992,720	\$182,413,614
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$196,992,720</u>	<u>\$182,413,614</u>

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

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**C. Accounting Policies**

Health premiums are earned over the term of the related insurance policies. Premiums written are reported net of experience rating refunds. Premiums paid prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates are subject to approval by the Centers for Medicare and Medicaid Services. Expenses are charged to operations as incurred.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) The Company has no investments in common stocks of unaffiliated companies.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no mortgage loans - real estate.
- (6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no derivative instruments.
- (10) The Company recognizes losses from other-than-temporary impairments (“OTTI”) of investments in accordance with Statements of Standard Accounting Practice (“SSAP”) No. 26R, *Bonds*; and SSAP No. 30, *Common Stock*; and SSAP No. 32, *Preferred Stock*.
- (11) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (12) Unpaid claims and claims adjustment expenses include management’s best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- (13) The Company has not modified its capitalization policy from the prior period.
- (14) Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.

**D. Going Concern**

Not applicable.

**2. Accounting Changes and Corrections of Errors**

There were no accounting changes or corrections of errors during the years ended December 31, 2020 and 2019.

**3. Business Combinations and Goodwill**

**A. Statutory Purchase Method**

Not applicable.

**B. Statutory Merger**

Not applicable.

**C. Assumption Reinsurance**

Not applicable.

**D. Impairment Loss**

On March 1, 2010, AMERIGROUP New Jersey, Inc. completed the acquisition of the Medicaid contract rights and rights under certain provider agreements of University Health Plan for \$13,420,000. The transaction was accounted for as a statutory purchase which resulted in goodwill in the amount of \$11,220,000 and intangible assets in the amount of \$2,200,000. Goodwill and intangible amortization expense relating to this transaction was \$187,000 and \$1,378,708 during the period ended December 31, 2020 and 2019, respectively.

**4. Discontinued Operations**

The Company had no operations that were discontinued during 2020 or 2019.

**5. Investments**

**1. Mortgage Loans, including Mezzanine Real Estate Loans**

The Company did not have investments in mortgage loans at December 31, 2020 or 2019.

**2. Debt Restructuring**

The Company did not have invested assets that were restructured debt at December 31, 2020 or 2019.

**3. Reverse Mortgages**

The Company did not have investments in reverse mortgages at December 31, 2020 or 2019.

**4. Loan-Backed Securities**

- (1) Prepayment assumptions for single-class and multi-class mortgage-backed and asset-backed securities were obtained from broker-dealer survey values or internal estimates. The Company used various third-party pricing sources in determining the market value of its loan-backed securities.
- (2) The Company did not recognize OTTI on its loan-backed securities during the years ended December 31, 2020 and 2019.
- (3) The Company did not recognize OTTI on its loan-backed securities at December 31, 2020 and 2019.
- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.	The aggregate amount of unrealized losses:		
	1.	Less than 12 Months	\$ (10,047)
	2.	12 Months or Longer	\$ (18,696)
b.	The aggregate related fair value of securities with unrealized losses:		
	1.	Less than 12 Months	\$ 2,212,427
	2.	12 Months or Longer	\$ 1,884,637

(5) The Company's bond portfolio is sensitive to interest rate fluctuations, which impact the fair value of individual securities. Unrealized losses on bonds were primarily caused by the effects of the interest rate environment and the widening of credit spreads on certain securities. The Company currently has the ability and intent to hold these securities until their full cost can be recovered. Therefore, the Company does not believe the unrealized losses represent an OTTI at December 31, 2020 or 2019.

**5. Dollar Repurchase Agreements and/or Securities Lending Transactions**

(1) The Company did not enter into repurchase agreements at December 31, 2020 or 2019.

(2) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers based on, among other things, their creditworthiness in exchange for collateral initially equal to at least 102% of the market value of the loaned securities. The Company receives the collateral in cash or securities, and if cash is received the cash collateral is thereafter invested according to guidelines of the Company's Investment Policy.

(3) Collateral Received

a.	Aggregate amount collateral received		<b><u>Fair Value</u></b>
	1.	Securities Lending	
		(a) Open	\$ 1,446,760
		(b) 30 days or less	—
		(c) 31 to 60 days	—
		(d) 61 to 90 days	—
		(e) Greater than 90 days	—
		(f) Sub-total	<u>\$ 1,446,760</u>
		(g) Securities received	<u>1,629,251</u>
		(h) Total collateral received	<u><u>\$ 3,076,011</u></u>
	2.	Dollar repurchase agreement - Not applicable.	
b.	The fair value of that collateral and of the portion of that collateral that it has sold or repledged		<u><u>\$ 3,076,011</u></u>
c.	The Company receives cash collateral in an amount in excess of fair value of the securities lent. The Company reinvests the cash collateral according to guidelines of the Company's Investment Policy.		

(4) Not applicable.

(5) Collateral Reinvestment

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

a. Aggregate amount collateral reinvested

	<u>Amortized Cost</u>	<u>Fair Value</u>
1. Securities Lending		
(a) Open	\$ —	\$ —
(b) 30 days or less	754,636	754,651
(c) 31 to 60 days	374,308	374,307
(d) 61 to 90 days	216,458	216,429
(e) 91 to 120 days	—	—
(f) 121 to 180 days	24,624	24,637
(g) 181 to 365 days	76,724	76,736
(h) 1 to 2 years	—	—
(i) 2 to 3 years	—	—
(j) Greater than 3 years	—	—
(k) Sub-total	\$ 1,446,750	\$ 1,446,760
(l) Securities received	1,629,251	1,629,251
(m) Total collateral reinvested	\$ 3,076,001	\$ 3,076,011

2. Dollar repurchase agreement - Not applicable.

b. Not applicable.

(6) Not applicable.

(7) Not applicable.

**F. Repurchase Agreements Transactions Accounted for as Secured Borrowing**

The Company did not enter into repurchase agreement transactions accounted for as secured borrowing at December 31, 2020 or 2019.

**G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing**

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2020 or 2019.

**H. Repurchase Agreements Transactions Accounted for as a Sale**

The Company did not enter into repurchase agreement transactions accounted for as a sale at December 31, 2020 or 2019.

**I. Reverse Repurchase Agreements Transactions Accounted for as a Sale**

The Company did not enter into reverse repurchase agreement transactions accounted for as a sale at December 31, 2020 or 2019.

**J. Real Estate**

The Company did not have investments in real estate and did not engage in retail land sales operations during 2020 or 2019.

**K. Investments in Low-Income Housing Tax Credits**

The Company did not invest in properties generating low-income housing tax credits during 2020 or 2019.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

**L. Restricted Assets**

(1) Restricted assets (including pledged)

Restricted Asset Category	1	2	3	4	5	6	7
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross Admitted and Nonadmitted Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ —	\$ —	\$ —	\$ —	\$ —	0.00 %	0.00 %
b. Collateral held under security lending agreements	3,076,001	—	3,076,001	—	3,076,001	0.55 %	0.56 %
c. Subject to repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
d. Subject to reverse repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
e. Subject to dollar repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
f. Subject to dollar reverse repurchase agreements	—	—	—	—	—	0.00 %	0.00 %
g. Placed under option contracts	—	—	—	—	—	0.00 %	0.00 %
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock	—	—	—	—	—	0.00 %	0.00 %
i. FHLB capital stock	—	—	—	—	—	0.00 %	0.00 %
j. On deposit with states	195,440,315	190,914,770	4,525,545	—	195,440,315	35.22 %	35.57 %
k. On deposit with other regulatory bodies	—	—	—	—	—	0.00 %	0.00 %
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	—	0.00 %	0.00 %
m. Pledged as collateral not captured in other categories	—	—	—	—	—	0.00 %	0.00 %
n. Other restricted assets	—	—	—	—	—	0.00 %	0.00 %
<b>o. Total Restricted Assets</b>	<b>\$ 198,516,316</b>	<b>\$ 190,914,770</b>	<b>\$ 7,601,546</b>	<b>\$ —</b>	<b>\$198,516,317</b>	<b>35.77 %</b>	<b>36.13 %</b>

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

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

(2) - (3) Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1	2	3	4
	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted*)	% of BACV to Total Admitted Assets **
a. Cash	\$ —	\$ —	— %	— %
b. Schedule D, Part 1	—	—	—	—
c. Schedule D, Part 2 Section 1	—	—	—	—
d. Schedule D, Part 2 Section 2	—	—	—	—
e. Schedule B	—	—	—	—
f. Schedule A	—	—	—	—
g. Schedule BA, Part 1	—	—	—	—
h. Schedule DL, Part 1	3,076,001	3,076,011	0.55 %	0.56 %
i. Other	—	—	—	—
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 3,076,001	\$ 3,076,011	0.55 %	0.56 %

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

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

	<u>1</u>	<u>2</u>
	<u>Amount</u>	<u>% of Liability to Total Liabilities *</u>
k. Recognized Obligation to Return Collateral Asset	\$ 3,076,001	0.87 %

\* Column 1 divided by Liability Page, Line 24 (Column 3)

**M. Working Capital Finance Investments**

The Company did not have any working capital finance investments at December 31, 2020 and 2019.

**N. Offsetting and Netting of Assets and Liabilities**

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2020 and 2019.

**O. 5GI Securities**

The Company has no 5GI Securities as of December 31, 2020 and 2019.

**P. Short Sales**

The Company did not have any short sales at December 31, 2020 and 2019.

**Q. Prepayment Penalty and Acceleration Fees**

	<u>General Account</u>
(1) Number of CUSIPs	3
(2) Aggregate Amount of Investment Income	\$ 18,965

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

**6. Joint Ventures, Partnerships and Limited Liability Companies**

1. The Company has no investments in joint ventures, partnerships or limited liability companies.
2. Not applicable.

**7. Investment Income**

1. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.
2. At December 31, 2020 and 2019 there was no nonadmitted accrued investment income.

**8. Derivative Instruments**

The Company has no derivative instruments.



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

**9. Income Taxes**

**A. The components of net deferred tax assets (liabilities):**

(1) The components of net deferred tax asset (liabilities) are as follows:

	12/31/2020		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 4,345,756	\$ —	\$ 4,345,756
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	4,345,756	—	4,345,756
(d) Deferred Tax Assets Nonadmitted	1,023,617	—	1,023,617
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	3,322,139	—	3,322,139
(f) Deferred Tax Liabilities	1,172	34,946	36,118
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 3,320,967</u>	<u>\$ (34,946)</u>	<u>\$ 3,286,021</u>

	12/31/2019		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 3,077,650	\$ —	\$ 3,077,650
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	3,077,650	—	3,077,650
(d) Deferred Tax Assets Nonadmitted	853,608	—	853,608
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	2,224,042	—	2,224,042
(f) Deferred Tax Liabilities	3,538	11,740	15,278
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 2,220,504</u>	<u>\$ (11,740)</u>	<u>\$ 2,208,764</u>

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 1,268,106	\$ —	\$ 1,268,106
(b) Statutory Valuation Allowance Adjustments	—	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	1,268,106	—	1,268,106
(d) Deferred Tax Assets Nonadmitted	170,009	—	170,009
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	1,098,097	—	1,098,097
(f) Deferred Tax Liabilities	(2,366)	23,206	20,840
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 1,100,463</u>	<u>\$ (23,206)</u>	<u>\$ 1,077,257</u>

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(2) The amount of admitted adjusted gross deferred tax assets under each component of SSAP No. 101, *Income Taxes* (“SSAP No. 101”) are as follows:

12/31/2020		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 2,936,144	\$ —	\$ 2,936,144
(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 Lesser of 2(b)1 and 2(b)2 Below)	349,877	—	349,877
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	349,877	—	349,877
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	29,056,005
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	36,118	—	36,118
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 3,322,139</u>	<u>\$ —</u>	<u>\$ 3,322,139</u>

12/31/2019		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 1,988,595	\$ —	\$ 1,988,595
(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 Lesser of 2(b)1 and 2(b)2 Below)	220,169	—	220,169
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	220,169	—	220,169
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	27,002,678
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	15,278	—	15,278
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 2,224,042</u>	<u>\$ —</u>	<u>\$ 2,224,042</u>

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 947,549	\$ —	\$ 947,549
(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 Lesser of 2(b)1 and 2(b)2 Below)	129,708	—	129,708
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	129,708	—	129,708
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	2,053,327
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	20,840	—	20,840
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 1,098,097</u>	<u>\$ —</u>	<u>\$ 1,098,097</u>

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(3)	2020	2019
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	334 %	342 %

(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 196,706,699	\$ 180,017,850
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	12/31/2020		12/31/2019		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col 1-3) Ordinary	(Col 2-4) Capital

Impact of Tax-Planning Strategies

(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$4,345,756	\$ —	\$3,077,650	\$ —	\$1,268,106	\$ —
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	\$3,322,139	\$ —	\$2,224,042	\$ —	\$1,098,097	\$ —
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %

(b) Does the Company's tax-planning strategies include the use of reinsurance?	Yes _____	No <input checked="" type="checkbox"/>
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B. The Company has no unrecognized deferred tax liabilities at December 31, 2020 and 2019.

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

	(1) 12/31/2020	(2) 12/31/2019	(3) (Col 1-2) Change
(1) Current Income Tax			
(a) Federal	\$ 15,254,348	\$ 1,656,374	\$ 13,597,974
(b) Foreign	—	—	—
(c) Subtotal	15,254,348	1,656,374	13,597,974
(d) Federal income tax expense on net capital gains	83,832	28,190	55,642
(e) Utilization of capital loss carry-forwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	\$ 15,338,180	\$ 1,684,564	\$ 13,653,616
(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 583,583	\$ 296,482	\$ 287,101
(2) Unearned premium reserve	120	71	49
(3) Policyholder reserves	863,317	732,596	130,721
(4) Investments	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	438,023	454,077	(16,054)
(8) Compensation and benefits accrual	—	—	—
(9) Pension accrual	—	—	—

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(10)	Receivables - nonadmitted	299,626	470,444	(170,818)
(11)	Net operating loss carry-forward	—	—	—
(12)	Tax credit carry-forward	—	—	—
(13)	Other (including items <5% of total ordinary tax assets)	—	24,507	(24,507)
(14)	Accrued future expenses	105,946	1,006	104,940
(15)	Amortization	849,687	1,014,343	(164,656)
(16)	Partnership income	—	—	—
(17)	Premium deficiency reserves	—	—	—
(18)	Prepaid expenses	383,362	84,124	299,238
(19)	Section 467 lease expense	822,092	—	822,092
(20)	Personal property tax accrual	—	—	—
(21)	Deferred gain on sale of building	—	—	—
(22)	State income tax liability	—	—	—
(23)	Income from reinsurance contract	—	—	—
(24)	Revenue agent's report adjustment	—	—	—
(25)	Write-ins	—	—	—
(26)	Write-ins	—	—	—
(27)	Write-ins	—	—	—
	(99) Subtotal	4,345,756	3,077,650	1,268,106
(b)	Statutory valuation allowance adjustment	—	—	—
(c)	Nonadmitted	1,023,617	853,608	170,009
(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	3,322,139	2,224,042	1,098,097
(e)	Capital		—	
(1)	Investments	—	—	—
(2)	Net capital loss carry-forward	—	—	—
(3)	Real estate	—	—	—
(4)	Other (including items <5% of total capital tax assets)	—	—	—
(5)	Partnership investment	—	—	—
(6)	State low income housing tax credits	—	—	—
(7)	Affiliated investment write-down	—	—	—
(8)	Write-ins	—	—	—
(9)	Write-ins	—	—	—
	(99) Subtotal	—	—	—
(f)	Statutory valuation allowance adjustment	—	—	—
(g)	Nonadmitted	—	—	—
(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	—	—
(i)	Admitted deferred tax assets (2d + 2h)	\$ 3,322,139	\$ 2,224,042	\$ 1,098,097

(1)	(2)	(3)
12/31/2020	12/31/2019	(Col 1-2) Change

(3) Deferred Tax Liabilities:

(a)	Ordinary			
(1)	Investments	\$ —	\$ —	\$ —
(2)	Fixed assets	—	—	—
(3)	Deferred and uncollected premium	—	—	—
(4)	Policyholder reserves	—	—	—
(5)	Other (including items <5% of total ordinary tax liabilities)	—	1,710	(1,710)
(6)	Amortization	—	—	—
(7)	Discount of coordination of benefits	1,172	1,828	(656)
(8)	Guaranty fund assessment	—	—	—
(9)	Business partnership	—	—	—
(10)	Tax reserves per Tax Reform over 8 years	—	—	—
(11)	Oil and gas depletion deduction	—	—	—
(12)	Deferred cost - surplus note	—	—	—
(13)	Write-ins	—	—	—

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(14) Write-ins		—	—	—
(99) Subtotal		1,172	3,538	(2,366)
(b) Capital				
(1) Investments		34,946	11,740	23,206
(2) Real estate		—	—	—
(3) Other (including items <5% of total capital tax liabilities)		—	—	—
(4) Section 166 partial worthlessness		—	—	—
(5) Investment partnership income		—	—	—
(6) Write-ins		—	—	—
(7) Write-ins		—	—	—
(8) Write-ins		—	—	—
(99) Subtotal		34,946	11,740	23,206
(c) Deferred tax liabilities (3a99 + 3b99)		\$ 36,118	\$ 15,278	\$ 20,840
(4) Net deferred tax assets/liabilities (2i - 3c)		\$ 3,286,021	\$ 2,208,764	\$ 1,077,257

**D.** The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 21% for the year ended December 31 as follows:

	<u>2020</u>		<u>2019</u>
Tax expense computed using federal statutory rate	\$ 9,889,095	\$	4,317,952
ACA health insurer fee	4,897,111		—
Change in nonadmitted assets	97,017		141,484
a Tax exempt income and dividend received deduction net of proration	(798,800)		—
a Tax exempt income received net of proration	—		(749,923)
Prior year true-up and adjustments	—		(20,346)
Interest (federal and state income tax)	—		—
Tax settlements and contingencies	—		(509,091)
Intercompany transfers and adjustments	—		—
IMR/AVR tax	—		—
Intercompany dividends	—		—
Valuation allowance	—		—
Partnership tax credits	—		—
Other, net	9,198		10,248
Total	<u>\$ 14,093,621</u>	<u>\$</u>	<u>3,190,324</u>
Federal income taxes incurred	\$ 15,338,180	\$	1,684,564
Change in net deferred income taxes	(1,244,559)		1,505,760
Total statutory income taxes	<u>\$ 14,093,621</u>	<u>\$</u>	<u>3,190,324</u>

**E. Operating loss carryforwards:**

- (1) The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2020 or 2019.
- (2) The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

	<u>Ordinary</u>		<u>Capital</u>		<u>Total</u>
2020	\$ 15,233,668	\$	83,832	\$	15,317,500
2019	2,206,492		28,190		2,234,682
2018	N/A		—		—

- (3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2020 and 2019.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

F. The following companies will be included in the consolidated federal income tax return with their parent Anthem, Inc. (“Anthem”) as of December 31, 2020 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

American Imaging Management, Inc.	Designated Agent Company, Inc.
America's 1st Choice of South Carolina, Inc.	EHC Benefits Agency, Inc.
America's Health Management Services, Inc.	Empire HealthChoice Assurance, Inc.
AMERIGROUP Community Care of New Mexico, Inc.	Empire HealthChoice HMO, Inc.
AMERIGROUP Corporation	Federal Government Solutions, LLC
Amerigroup Delaware, Inc.	FHC Health Systems, Inc.
AMERIGROUP District of Columbia, Inc.	Freedom Health, Inc.
Amerigroup Health Plan of Louisiana, Inc.	Golden West Health Plan, Inc.
Amerigroup Insurance Company	Health Core, Inc.
AMERIGROUP Iowa, Inc.	Health Management Corporation
Amerigroup Kansas, Inc.	HealthKeepers, Inc.
AMERIGROUP Maryland, Inc.	HealthLink HMO, Inc.
AMERIGROUP Mississippi, Inc.	HealthLink Insurance Company
AMERIGROUP New Jersey, Inc.	HealthLink, Inc.
AMERIGROUP Ohio, Inc.	HealthPlus HP, LLC
AMERIGROUP Oklahoma, Inc.	HealthSun Health Plan, Inc.
Amerigroup Pennsylvania, Inc.	Healthy Alliance Life Insurance Company
AMERIGROUP Tennessee, Inc.	HEP AP Holdings, Inc.
AMERIGROUP Texas, Inc.	Highland Holdco, Inc.
AMERIGROUP Washington, Inc.	HMO Colorado, Inc.
AMGP Georgia Managed Care Company, Inc.	HMO Missouri, Inc.
Anthem Blue Cross Life and Health Insurance Company	IEC Group Holdings, Inc.
Anthem Financial, Inc.	IEC Group, Inc. d/b/a AmeriBen
Anthem Health Plans of Kentucky, Inc.	Imaging Management Holdings, LLC
Anthem Health Plans of Maine, Inc.	IngenioRx, Inc.
Anthem Health Plans of New Hampshire, Inc.	Legato Holdings I, Inc.
Anthem Health Plans of Virginia, Inc.	Living Complete Technologies, Inc.
Anthem Health Plans, Inc.	Massachusetts Behavioral Health Partnership
Anthem Holding Corp.	Matthew Thornton Health Plan, Inc.
Anthem Insurance Companies, Inc.	Missouri Care, Incorporated
Anthem Kentucky Managed Care Plan, Inc.	Nash Holding Company, LLC
Anthem Southeast, Inc.	National Government Services, Inc.
Anthem UM Services, Inc.	New England Research Institutes, Inc.
Anthem, Inc.	Optimum Healthcare, Inc.
Arcus Enterprises, Inc.	OPTIONS Health Care, Inc.
Aspire Health, Inc.	Park Square Holdings, Inc.
Associated Group, Inc.	Park Square I, Inc.
Beacon Health Financing, LLC	Park Square II, Inc.
Beacon Health Options Care Services, Inc.	Resolution Health, Inc.
Beacon Health Options Holdco, Inc.	RightCHOICE Managed Care, Inc.
Beacon Health Options, Inc.	Rocky Mountain Hospital and Medical Service, Inc.
Beacon Health Options of California, Inc.	SellCore, Inc.
Beacon Health Options of Ohio, Inc.	Simply Healthcare Plans, Inc.
Beacon Health Options of Pennsylvania, Inc.	Southeast Services, Inc.
Beacon Health Vista Parent, Inc.	State Sponsored Services, Inc.
BHS IPA, LLC	The Anthem Companies of California, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	The Anthem Companies, Inc.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

Blue Cross Blue Shield of Wisconsin	TrustSolutions, LLC
Blue Cross of California	UNICARE Health Plan of West Virginia, Inc.
Blue Cross of California Partnership Plan, Inc.	UNICARE Illinois Services, Inc.
CareMarket, Inc.	UNICARE Life & Health Insurance Company
CareMore Health Plan	UNICARE National Services, Inc.
CareMore Health Plan of Arizona, Inc.	UNICARE Specialty Services, Inc.
CareMore Health Plan of Nevada, Inc.	Value Health Reinsurance, Inc.
CareMore Health Plan of Texas, Inc.	ValueOptions Federal Services, Inc.
CareMore Health System	ValueOptions New Mexico, Inc.
Cerulean Companies, Inc.	ValueOptions of Kansas, Inc.
CHCS IPA, Inc.	ValueOptions of New Jersey, Inc.
Claim Management Services, Inc.	ValueOptions Texas, Inc.
Community Care Health Plan of Nebraska, Inc. fka WellCare of Nebraska, Inc.	Valus, Inc.
Community Care Health Plan of Nevada, Inc.	WellPoint California Services, Inc.
Community Insurance Company	WellPoint Dental Services, Inc.
CompCare Health Services Insurance Corporation	WellPoint Health Solutions, Inc.
Crossroads Acquisition Corp.	WellPoint Holding Corporation
DBG Holdings, Inc.	WellPoint Information Technology Services, Inc.
DeCare Analytics, LLC	WellPoint Insurance Services, Inc.
DeCare Dental Health International, LLC	WellPoint Military Care Corporation
DeCare Dental Networks, LLC	ZipDrug, Inc.
DeCare Dental, LLC	

**G.** Not applicable.

**H. Repatriation Transition Tax (RTT)**

Not applicable.

**I. Alternative Minimum Tax (AMT) Credit**

Not applicable.

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

**A. Nature of the Relationship**

The Company is a New Jersey domiciled stock insurance company and is a wholly-owned subsidiary of AMERIGROUP Corporation (“AGP”). AGP is a wholly-owned subsidiary of ATH Holding Company, LLC (“ATH Holding”), which is an indirect wholly-owned subsidiary of Anthem, a publicly traded company.

**B. Significant Transactions for Each Period**

The following significant transactions took place between the Company and its affiliates:

The Board of Directors of the Company declared an ordinary dividend in the amount of \$18,700,000 on October 26, 2020. The DOBI approved this dividend on February 17, 2021. The Company accrued the dividend in 2020 and paid the dividend to its parent company, AGP, on February 22, 2021.

There were no significant transactions during the years ended December 31, 2019.

For changes to the intercompany management services arrangements, see Note 10E. The amounts of transactions under such agreements are presented in Schedule Y Part 2.

**C. Transactions with Related Parties who are not Reported on Schedule Y**

The Company has no transactions with related parties who are not reported on Schedule Y.

**D. Amounts Due to or from Related Parties**

At December 31, 2020 and 2019, the Company reported no amounts due from affiliates. At December 31, 2020 and 2019, the Company reported \$5,071,525 and \$11,706,714 due to affiliates, respectively. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

**E. Management and Service Contracts and Cost Sharing Arrangements**

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs include expenses such as salaries, employee benefits, information technology, pharmacy benefits administration, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which support the Company's operations. These costs are allocated based on various utilization statistics.

In addition, the Company is party to the Fair Market Value ("FMV") Services Attachment, starting January 1, 2019, the costs and expenses related to certain care management and other services are allocated to or allocated by the Company in an amount equal to the fair market value of the services provided. These costs are allocated based on various utilization statistics.

During 2020, the Company added the Beacon Management Services Agreement which will provide behavioral health services. The agreement was approved on July 14, 2020 and is effective beginning January 1, 2021.

**F. Guarantees or Contingencies for Related Parties**

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

**G. Nature of Control Relationships that Could Affect Operations or Financial Position**

AGP owns all outstanding shares of the Company. The Company's ultimate parent is Anthem.

**H. Amount Deducted for Investment in Upstream Company**

The Company does not own shares of upstream intermediate entities or Anthem.

**I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets**

At December 31, 2020 and 2019, the Company did not have investments in affiliates.

**J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated ("SCA") Companies**

Not applicable.

**K. Investment in a Foreign Insurance Subsidiary**

The Company does not have investments in foreign insurance subsidiaries.



**L. Investment in Downstream Non-insurance Holding Companies**

The Company does not have investments in downstream non-insurance holding companies.

**M. All SCA Investments**

The Company has no SCA Investments.

**N. Investment in Insurance SCAs**

The Company does not have investments in Insurance SCAs.

**O. SCA or SSAP 48 Entity Loss Tracking**

The Company does not have losses on investments in Insurance SCAs and/or joint ventures, partnerships or LLCs.

**11. Debt**

**A. Capital Notes and Other Debt**

The Company had no capital notes or other debt outstanding at December 31, 2020 and 2019.

**B. FHLB (Federal Home Loan Bank) Agreements**

The Company had no FHLB agreements outstanding at December 31, 2020 and 2019.

**C. All Other Debt**

The Company had no other debt outstanding at December 31, 2020 and 2019.

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

**A. Defined Benefit Plan**

Not applicable - See Note 12G.

**B. Not applicable - See Note 12G.**

**C. Not applicable - See Note 12G.**

**D. Not applicable - See Note 12G.**

**E. Defined Contribution Plans**

Not applicable - See Note 12G.

**F. Multiemployer Plans**

The Company does not participate in a multiemployer plan.

**G. Consolidated/Holding Company Plans**

The Company participates in a nonqualified deferred compensation plan sponsored by Anthem which covers certain employees once the participant reaches the maximum contribution amount for the Anthem 401(k) Plan (the “401(k) Plan”). The deferred amounts are payable according to the terms and subject to the conditions of the deferred compensation plan. Anthem allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees subject to the deferred compensation plan. The Company has no legal obligation for benefits under this plan.

The Company participates in the 401(k) Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

The Company participates in a stock incentive compensation plan, sponsored by Anthem, providing incentive awards to non-employee directors and employees, consisting of Anthem stock options, restricted stock, restricted stock units, stock appreciation rights, performance shares, and performance units. Anthem allocates a share of the total share-based compensation expense of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

During 2020 and 2019, the Company was allocated the following costs or (credits) for these retirement benefits:

	<u>2020</u>	<u>2019</u>
Deferred compensation plan	30,627	46,621
Defined contribution plan	2,135,363	1,870,356
Stock incentive compensation plan	1,381,638	1,175,882

**H. Post Employment Benefits and Compensated Absences**

Not applicable.

**I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)**

Not applicable.

**13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**

**A. Outstanding Shares**

As of December 31, 2020, the Company has 1,000 shares of \$0.01 par value common stock authorized, issued and outstanding.

**B. Preferred Stock**

The Company has no preferred stock outstanding.

**C. Dividend Restrictions**

Under New Jersey Annotated Statutes 17:27A-4, extraordinary dividends or distributions made within the preceding 12 months exceeds the greater of (i) 10% of such insurer’s surplus as regards policyholders as of December 31 next preceding, or (ii) the net income, not including realized capital gains, for the 12-month period ending December 31 next preceding, but shall not include pro rata distributions of any class of the insurer’s own securities.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

**D. Dividends Paid**

See Footnote 10B.

**E. Maximum Ordinary Dividend During 2021**

Within the limitations of (C) above, the Company may pay \$31,416,359 in ordinary dividends during 2021 without restrictions, other than state notification requirements.

**F. Unassigned Surplus Restrictions**

Unassigned surplus funds are not restricted at December 31, 2020.

**G. Mutual Surplus Advances**

Not applicable.

**H. Company Stock Held for Special Purpose**

There are no shares of stock held for special purposes at December 31, 2020.

**I. Changes in Special Surplus Funds**

The change in balances of special surplus funds from the prior year are due to changes in the amounts segregated for the estimated Affordable Care Act (“ACA”) health insurer fee to be paid in the subsequent year. The annual fee under section 9010 of the ACA has been permanently suspended beginning in 2021.

**J. Changes in Unassigned Funds**

The portion of unassigned funds represented by cumulative unrealized investment losses was (\$10,185) at December 31, 2020.

**K. Surplus Notes**

The Company has not issued any surplus notes or debentures or similar obligations.

**L. Restatement due to Prior Quasi-reorganizations**

The Company had no restatements due to prior quasi-reorganizations.

**M. Quasi-reorganizations over Prior 10 Years**

The Company has not been involved in a quasi-reorganization during the past 10 years.

**14. Liabilities, Contingencies and Assessments**

**A. Contingent Commitments**

The Company had no contingent commitments at December 31, 2020 or 2019.

**B. Assessments**

(1) The Company is subject to guaranty fund and other assessments by the state(s) in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued either at the time of the assessment or at the time the losses are incurred.

(2) Not applicable.

(3) Not applicable.

**C. Gain Contingencies**

The Company has no gain contingencies at December 31, 2020 or 2019.

**D. Claims-Related Extra Contractual Obligation and the Bad Faith Losses Stemming From Lawsuits**

Not applicable.

**E. Joint and Several Liabilities**

Not applicable.

**F. All Other Contingencies**

*Litigation and regulatory proceedings*

Express Scripts, Inc. Pharmacy Benefit Management Litigation

In March 2016, Anthem filed a lawsuit against Express Scripts, Inc. (“Express Scripts”), their vendor at the time for PBM services, captioned *Anthem, Inc. v. Express Scripts, Inc.*, in the U.S. District Court for the Southern District of New York. The lawsuit seeks to recover over \$14,800,000,000 in damages for pharmacy pricing that is higher than competitive benchmark pricing under the agreement between the parties (the “ESI PBM Agreement”), over \$158,000,000 in damages related to operational breaches, as well as various declarations under the ESI PBM Agreement, including that Express Scripts: (i) breached its obligation to negotiate in good faith and to agree in writing to new pricing terms; (ii) was required to provide competitive benchmark pricing to Anthem through the term of the ESI PBM Agreement; (iii) has breached the ESI PBM Agreement; and (iv) is required under the ESI PBM Agreement to provide post-termination services, at competitive benchmark pricing, for one year following any termination.

Express Scripts has disputed Anthem’s contractual claims and is seeking declaratory judgments: (i) regarding the timing of the periodic pricing review under the ESI PBM Agreement, and (ii) that it has no obligation to ensure that Anthem receives any specific level of pricing, that Anthem has no contractual right to any change in pricing under the ESI PBM Agreement and that its sole obligation is to negotiate proposed pricing terms in good faith. In the alternative, Express Scripts claims that Anthem has been unjustly enriched by its payment of \$4,675,000,000 at the time they entered into the ESI PBM Agreement. In March 2017, the court granted Anthem’s motion to dismiss Express Scripts’ counterclaims for (i) breach of the implied covenant of good faith and fair dealing, and (ii) unjust enrichment with prejudice. The only remaining claims are for breach of contract and declaratory relief. Rebuttal expert reports were submitted in October, discovery must be completed in April 2021, and motions for summary judgment must be filed in May 2021. Anthem intends to vigorously pursue their claims and defend against any counterclaims, which they believe are without merit; however, the ultimate outcome cannot be presently determined.

In re Express Scripts/Anthem ERISA Litigation

Anthem is a defendant in a class action lawsuit that was initially filed in June 2016 against Anthem, Inc. and Express Scripts, which has been consolidated into a single multi-district lawsuit captioned *In Re Express Scripts/Anthem ERISA Litigation*, in the U.S. District Court for the Southern District of New York. The consolidated complaint

was filed by plaintiffs against Express Scripts and Anthem on behalf of all persons who are participants in or beneficiaries of any ERISA or non-ERISA healthcare plan from December 1, 2009 to December 31, 2019 in which Anthem provided prescription drug benefits through the ESI PBM Agreement and paid a percentage based co-insurance payment in the course of using that prescription drug benefit. The plaintiffs allege that Anthem breached their duties, either under ERISA or with respect to the implied covenant of good faith and fair dealing implied in the health plans, (i) by failing to adequately monitor Express Scripts' pricing under the ESI PBM Agreement, (ii) by placing their own pecuniary interest above the best interests of their insureds by allegedly agreeing to higher pricing in the ESI PBM Agreement in exchange for the purchase price for their NextRx PBM business, and (iii) with respect to the non-ERISA members, by negotiating and entering into the ESI PBM Agreement that was allegedly detrimental to the interests of such non-ERISA members. Plaintiffs seek to hold Anthem and Express Scripts jointly and severally liable and to recover all losses suffered by the proposed class, equitable relief, disgorgement of alleged ill-gotten gains, injunctive relief, attorney's fees and costs and interest.

In April 2017, Anthem filed a motion to dismiss the claims brought against them, and it was granted, without prejudice, in January 2018. Plaintiffs filed a notice of appeal with the United States Court of Appeals for the Second Circuit, which was heard in October 2018 but has not yet been decided. In December 2020, the Court affirmed the trial court's decision dismissing the ERISA complaint. Plaintiffs have filed a Petition for Rehearing and Rehearing En Banc. Anthem intends to vigorously defend this suit; however, its ultimate outcome cannot be presently determined.

#### Cigna Corporation Merger Litigation

In July 2015, Anthem and Cigna Corporation, or Cigna, announced that they entered into the Cigna Agreement and Plan of Merger, or Cigna Merger Agreement, pursuant to which Anthem would acquire all outstanding shares of Cigna. In July 2016, the U.S. Department of Justice or DOJ, along with certain state attorneys general, filed a civil antitrust lawsuit in the U.S. District Court for the District of Columbia, or District Court, seeking to block the merger. In February 2017, Cigna purported to terminate the Cigna Merger Agreement and commenced litigation against Anthem in the Delaware Court of Chancery, or Delaware Court, seeking damages, including \$1,850,000,000 termination fee pursuant to the terms of the Cigna Merger Agreement, and a declaratory judgment that its purported termination of the Cigna Merger Agreement was lawful, among other claims, which is captioned *Cigna Corp. v. Anthem Inc.*

Also in February 2017, Anthem initiated their own litigation against Cigna in the Delaware Court seeking a temporary restraining order to enjoin Cigna from terminating the Cigna Merger Agreement, specific performance compelling Cigna to comply with the Cigna Merger Agreement and damages, which is captioned *Anthem Inc. v. Cigna Corp.* In April 2017, the U.S. Circuit Court of Appeals for the District of Columbia affirmed the ruling of the District Court, which blocked the merger. In May 2017, after the Delaware Court denied Anthem's motion to enjoin Cigna from terminating the Cigna Merger Agreement, Anthem delivered to Cigna a notice terminating the Cigna Merger Agreement.

In the Delaware court litigation, trial commenced in late February 2019 and concluded in March 2019. The Delaware Court held closing arguments in November 2019 and took the matter under consideration. In February 2020, the Delaware Court requested supplemental briefing, which has been submitted. On August 31, 2020, the Delaware Court issued an opinion finding that neither party was owed damages and that Anthem did not owe Cigna the \$1,850,000,000 termination fee. The Delaware Court issued an order implementing its opinion in October 2020. Cigna filed its notice of appeal in November 2020 challenging the trial court's opinion that Anthem did not owe Cigna a termination fee. Cigna filed its appellate brief in December 2020. Anthem's response was filed in January. Anthem believes Cigna's allegations are without merit and they

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

intend to vigorously defend against Cigna's allegations; however, the ultimate outcome of any appeal of this litigation with Cigna cannot be presently determined.

In October 2018, a shareholder filed a derivative lawsuit in the State of Indiana Marion County Superior Court, captioned *Henry Bittmann, Derivatively, et al. v. Joseph R. Swedish, et al.*, purportedly on behalf of Anthem and their shareholders against certain current and former directors and officers alleging breaches of fiduciary duties, unjust enrichment and corporate waste associated with the Cigna Merger Agreement. This case has been stayed at the request of the parties pending the outcome of Anthem's litigation with Cigna in the Delaware Court. This lawsuit's ultimate outcome cannot be presently determined.

#### Medicare Risk Adjustment Litigation

In March 2020, the DOJ filed a civil lawsuit against Anthem, Inc. in the U.S. District Court for the Southern District of New York in a case captioned *United States v. Anthem, Inc.* The DOJ's suit alleges, among other things, that Anthem falsely certified the accuracy of the diagnosis data they submitted to the Centers for Medicare and Medicaid Services, or CMS, for risk-adjustment purposes under Medicare Part C and knowingly failed to delete inaccurate diagnosis codes. The DOJ further alleges that, as a result of these purported acts, Anthem caused CMS to calculate the risk-adjustment payments based on inaccurate diagnosis information, which enabled Anthem to obtain unspecified amounts of payments in Medicare funds in violation of the False Claims Act. The DOJ filed an amended complaint in July 2020, alleging the same causes of action but revising some of its allegations. In September 2020, Anthem filed a motion to transfer the lawsuit to the Southern District of Ohio, a motion to dismiss part of the lawsuit, and a motion to strike certain allegations in the amended complaint. The motions are fully briefed and no decision has been rendered. Anthem intends to continue to vigorously defend this suit; however, the ultimate outcome cannot be presently determined.

#### Cyber Attack Regulatory Proceedings and Litigation

In February 2015, Anthem reported that they were the target of a sophisticated external cyber attack during which the attackers gained unauthorized access to certain of their information technology systems and obtained personal information related to many individuals and employees. To date, there is no evidence that credit card or medical information was accessed or obtained. Upon discovery of the cyber attack, Anthem took immediate action to remediate the security vulnerability and have continued to implement security enhancements since this incident.

Federal and state agencies have investigated events related to the cyber attack, including how it occurred, its consequences and Anthem's responses. In September 2020, Anthem entered into a settlement to resolve the investigation by a multi-state group of attorneys general, which was the final outstanding matter related to the 2015 cyber attack. Anthem has undertaken commitments that align with their ongoing and consistent focus to protect information in addition to the monetary payment of \$39,000,000, which was fully accrued in a prior period.

Anthem has contingency plans and insurance coverage for certain expenses and potential liabilities of this nature and will pursue coverage for all applicable losses; however, the ultimate outcome of Anthem's pursuit of insurance coverage cannot be presently determined.

#### ***Other Contingencies***

From time to time, the Company is party to various legal proceedings, many of which involve claims for coverage encountered in the ordinary course of business. The Company, like HMOs and health insurers generally, excludes certain healthcare and other services from coverage under our HMO, PPO, and other plans. The Company is, in the

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
**NOTES TO FINANCIAL STATEMENTS**

ordinary course of business, subject to the claims of our enrollees arising out of decisions to restrict or deny reimbursement for uncovered services. The loss of even one such claim, if it results in a significant punitive damage award, could have a material adverse effect on the Company. In addition, the risk of potential liability under punitive damage theories may increase significantly the difficulty of obtaining reasonable reimbursement of coverage claims.

In addition to the lawsuits described above, the Company is also involved in other pending and threatened litigation of the character incidental to their business, and is from time to time involved as a party in various governmental investigations, audits, reviews and administrative proceedings. These investigations, audits, reviews and administrative proceedings include routine and special inquiries by state insurance departments, state attorneys general, the U.S. Attorney General and subcommittees of the U.S. Congress. Such investigations, audits, reviews and administrative proceedings could result in the imposition of civil or criminal fines, penalties, other sanctions and additional rules, regulations or other restrictions on the Company's business operations. Any liability that may result from any one of these actions, or in the aggregate, could have a material adverse effect on the Company's financial position or results of operations.

The Company has no other known material contingencies.

***Provisions for uncollectible amounts***

At December 31, 2020 and 2019, the Company reported admitted assets of \$30,945,304 and \$24,496,725, respectively, in premium receivables and receivables due from uninsured plans. These receivables are not deemed to be uncollectible, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

**15. Leases**

**A. Lessee Operating Lease**

(1) The Company leases office space, office equipment, EDP equipment, and software under various noncancelable operating leases. Certain leases have the right to renew. There are no escalation clauses for any lease. Related lease expense for 2020 and 2019 was \$5,537,798 and \$1,431,069, respectively.

During the third quarter of 2020, the Company reevaluated its future office space needs and determined that it would permanently cease use of space under certain operating leases. At December 31, 2020, the Company has recorded a liability for lease exit costs of \$3,481,912.

(2) At December 31, 2020, the minimum aggregate rental commitments are as follows:

	<u>Year Ending December 31</u>	<u>Operating Leases</u>
1	2021	\$ 1,833,375
2	2022	1,928,538
3	2023	1,423,386
4	2024	1,609,641
5	2025	1,091,790
6	Total	<u>\$ 7,886,730</u>

(3) The Company has not entered into any material sale-leaseback transactions.

**B. Lessor Leases**

(1) The Company has not entered into any operating leases.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(2) The Company has not entered into any leveraged leases.

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

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2020, there were no significant concentrations.

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

**1. Transfers of Receivables Reported as Sales**

Not applicable at December 31, 2020 and 2019.

**2. Transfer and Servicing of Financial Assets**

(1) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers. At December 31, 2020 the fair value of securities loaned was \$3,010,832 and the carrying value of securities loaned was \$2,941,584.

(2) - (7) Not applicable.

**(2) Wash Sales**

(1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.

(2) At December 31, 2020 and 2019, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

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

**A. Administrative Services Only ("ASO") Plans**

Not applicable at December 31, 2020.

**B. Administrative Services Contract ("ASC") Plans**

Not applicable at December 31, 2020.

**C. Medicare or Other Similarly Structured Cost-Based Reimbursement Contract**

(1) The Company does not record revenue explicitly attributable to the cost share and reinsurance components of administered Medicare products.



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

(2)

Receivable from	Related to	2020	2019
Centers for Medicare and Medicaid Services	Cost share and reinsurance components of administered Medicare products	\$ 3,633,969	\$ 72,355
U.S. Department of Health and Human Services	Cost share and reinsurance components of administered commercial ACA products	\$ —	\$ —
Uninsured plans	Uninsured business, not including pharmaceutical rebate receivables	\$ —	\$ —

(3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company's Medicare and ACA products, the Company has recorded no allowances and reserves for the adjustment of recorded revenues and receivables.

(4) The Company has made no adjustment to revenue resulting from the audit of cost-reimbursement receivables related to revenues recorded in the prior period.

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

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2020 and 2019.

**20. Fair Value Measurements**

**A.**

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
Industrial and misc	\$ —	\$ 279,423	\$ —	\$ —	\$ 279,423
Hybrid securities	—	465,125	—	—	465,125
Total bonds	\$ —	\$ 744,548	\$ —	\$ —	\$ 744,548
Cash equivalents					
Industrial and miscellaneous money market funds	\$ 42,349,520	\$ —	\$ —	\$ —	\$ 42,349,520
Total cash equivalents	\$ 42,349,520	\$ —	\$ —	\$ —	\$ 42,349,520
Total assets at fair value/NAV	\$ 42,349,520	\$ 744,548	\$ —	\$ —	\$ 43,094,068

(2) There are no investments in Level 3 as of December 31, 2020 and 2019.

(3) The Company's policy is to recognize transfers between Levels, if any, as of the beginning of the reporting period.

(4) Fair values of bonds are based on quoted market prices, where available. These fair values are obtained primarily from third party pricing services, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. Level 2 securities primarily include United States government securities, corporate securities, securities from states, municipalities and political subdivisions, mortgage-backed securities and certain other asset-backed securities. For securities not actively traded, the pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
**NOTES TO FINANCIAL STATEMENTS**

Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds. The Company has controls in place to review the pricing services' qualifications and procedures used to determine fair values. In addition, the Company periodically reviews the pricing services' pricing methodologies, data sources and pricing inputs to ensure the fair values obtained are reasonable.

Certain bonds, primarily corporate debt securities, are designated Level 3. For these securities, the valuation methodologies may incorporate broker quotes or discounted cash flow analyses using assumptions for inputs such as expected cash flows, benchmark yields, credit spreads, default rates and prepayment speeds that are not observable in the markets.

Cash equivalents primarily consist of highly rated money market funds or bonds with original maturities of three months or less. Due to the high ratings and short-term nature, these investments are designated as Level 1. The Company also holds bonds purchased with less than three months to maturity. Fair value of these bonds are based on quoted market prices obtained from third party pricing services which generally use Level 1 or Level 2 inputs.

There have been no significant changes in the valuation techniques during the current period.

**B. Fair Value Measurements Under Other Accounting Pronouncements**

Not applicable at December 31, 2020 and 2019.

**C. Financial Instruments**

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 325,005,056	\$ 307,870,531	\$ —	\$ 325,005,056	\$ —	\$ —	\$ —
Cash equivalents	44,649,474	44,649,437	42,349,520	2,299,954	—	—	—
Short-term investments	1,299,922	1,299,884	—	1,299,922	—	—	—
Securities lending collateral asset	3,076,011	3,076,001	—	3,076,011	—	—	—

**D. Not Practicable to Estimate Fair Value**

There are no financial instruments that were not practicable to estimate fair value.

**E. Investments Measured at Net Asset Value**

The Company has no investments measured at net asset value.

**21. Other Items**

**A. Unusual or Infrequent Items**

The spread of the COVID-19 virus caused significant financial market volatility, economic uncertainty, and interruptions to normal business activities. The ultimate impact to the Company is unknown, but management expects continued interruptions to day-to-day business activities, impacts to claim and premium activity, investment values, as well as possible impacts to liquidity.

**B. Troubled Debt Restructuring: Debtors**

Not applicable at December 31, 2020 and 2019.

**C. Other Disclosures**

Assets in the amount of \$195,440,315 and \$190,914,770 at December 31, 2020 and 2019, respectively, were on deposit with government authorities or trustees as required by law.

**D. Business Interruption Insurance Recoveries**

The Company has reported no recoveries for business interruption for the years ended December 31, 2020 and 2019.

**E. State Transferable and Non-Transferable Tax Credits**

The Company did not have state transferable or non-transferable tax credits at December 31, 2020 and 2019.

**F. Subprime Mortgage-Related Risk Exposure**

(1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments. The portion of the Company's investment portfolio with subprime mortgage-related risk exposure is relatively small in comparison to the overall investment portfolio, and consists mainly of investment grade securities with no exposure to collateralized debt obligations. All mortgage related investments are monitored closely as part of the quarterly investment review performed by the Anthem Investment Impairment Review Committee.

(2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2020 or 2019.

(3) The Company did not have subprime mortgage-related risk exposure at December 31, 2020 or 2019.

(4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2020 or 2019.

**G. Retained Assets**

The Company does not have retained assets at December 31, 2020 and 2019.

**H. Insurance-Linked Securities Contracts**

Not applicable.

**I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy**

Not applicable.

**22. Events Subsequent**

The Company is subject to an annual fee under section 9010 of the ACA. A health insurance company's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The annual fee under section 9010 of the ACA was permanently suspended beginning in 2021.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

	<u>Current Year</u>	<u>Prior Year</u>
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	\$ —	\$ 22,369,496
C. ACA fee assessment paid	\$ 23,319,579	\$ —
D. Premium written subject to ACA 9010 assessment	\$ —	\$ 1,165,338,293
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	\$ 196,992,720	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus Line 22B above).	\$ 196,992,720	
G. Authorized Control Level (Five-Year Historical Line 15)	\$ 58,054,834	
H. Would reporting the ACA assessment as of December 31, 2020 have triggered an RBC action level (YES/NO)?	No	

Subsequent events have been considered through February 28, 2021 for the statutory statement issued on March 1, 2021. There were no events occurring subsequent to December 31, 2020 requiring recognition or disclosure.

## 23. Reinsurance

### 1. Ceded Reinsurance Report

#### Section 1 - General Interrogatories

(1) Are any of the reinsurers that are 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 an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

If yes, give full details.

#### Section 2 - Ceded Reinsurance Report - Part A

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

Yes ( ) No (X)

If yes, give full details.

(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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

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.

Not applicable.

(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, give full details.

**(3) Uncollectible Reinsurance**

The Company has no uncollectible reinsurance at December 31, 2020 and 2019.

**(4) Commutation of Ceded Reinsurance**

The Company has not commuted ceded reinsurance during 2020 and 2019.

**D. Certified Reinsurer Rating Downgraded or Status Subject Revocation**

The Company has no downgraded certified reinsurer ratings or status subject to revocations during 2020 and 2019.

**E. Reinsurance Credit**

Not applicable.

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

**A.** The Company sells accident and health policies for which the premiums vary based on loss experience. The Company estimates retrospective premium adjustments through the review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.

**B.** The Company records accrued retrospective premium as an adjustment to earned premium.

**C.** 100% of the net premium written is subject to retrospective rating features.

**D.** Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

**E. Risk-Sharing Provisions of the ACA**

(1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)? No

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

Not applicable.

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

Not applicable.

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

Not applicable.

(5) ACA Risk Corridors Receivable as of Reporting Date.

Not applicable.

**25. Change in Incurred Claims and Claim Adjustment Expenses**

**A.** The estimated cost of claims and claim adjustment expense attributable to insured events of prior years increased by \$2,068,999 during 2020. This is approximately 1.5% of unpaid claims and claim adjustment expenses of \$137,610,660 as of December 31, 2019. The deficiency reflects the increases in estimated claims and claims adjustment expenses as a result of claims payment during the year, and as additional information is received regarding claims incurred prior to 2020. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claim adjustment expense.

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

**26. Intercompany Pooling Arrangements**

Not applicable at December 31, 2020 and 2019.

**27. Structured Settlements**

Not applicable at December 31, 2020 and 2019.

**28. Health Care Receivables**

**A. Pharmaceutical Rebate Receivables**

During 2020, the Company sold \$5,582,325 of pharmaceutical rebate receivables without recourse to Blue Cross of California, an affiliated entity. The cash proceeds received by the Company represented the expected pharmaceutical rebates recoverable in 90 days or more at the end of each quarter, less a \$27,912 discount fee.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.  
NOTES TO FINANCIAL STATEMENTS

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2020	\$ 3,512,495	\$ —	\$ —	\$ —	\$ —
9/30/2020	2,569,700	8,347,816	—	—	—
6/30/2020	3,512,402	7,765,195	5,318,596	—	—
3/31/2020	5,188,641	7,462,963	6,736,054	4	—
12/31/2019	6,417,563	5,736,480	1,291,069	—	4,370,980
9/30/2019	6,587,628	5,286,755	3,454,817	1,115	5,211,197
6/30/2019	6,374,385	5,124,114	58,675	5,041,733	4,520
3/31/2019	6,228,532	5,043,434	46,268	4,987,628	7,295
12/31/2018	5,871,887	4,798,156	28,660	4,750,721	16,773
9/30/2018	5,730,702	4,818,334	3,137,202	1,688,675	15,809
6/30/2018	6,113,805	4,704,865	26,459	4,687,481	8,150
3/31/2018	5,399,745	4,594,015	7,872	4,598,638	23,990

**B. Risk Sharing Receivables**

Not applicable at December 31, 2020 and 2019.

**29. Participating Policies**

Not applicable at December 31, 2020 and 2019.

**30. Premium Deficiency Reserves**

1. Liability carried for premium deficiency reserves	\$ —
2. Date of the most recent evaluation of this liability	December 31, 2020
3. Was anticipated investment income utilized in the calculation?	Yes _____ No <u>X</u>

The Company had no liabilities related to premium deficiency reserves as of December 31, 2020 and 2019.

**31. Anticipated Salvage and Subrogation**

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced the liability by \$63,000 and \$368,000 at December 31, 2020 and 2019, respectively.

**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 [ X ] No [ ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. .... 0001156039
- 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. .... 12/31/2017
- 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. .... 12/31/2017
- 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). .... 06/25/2019
- 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

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 below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

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, 111 Monument Circle Suite 4000, Indianapolis, IN 46204
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? ..... Yes [ ] No [ X ]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:  
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? ..... Yes [ X ] No [ ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain  
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Mojsola Esho, MAAA, Actuarial Director (employee), 1890 Callaway Ridge Dr., Kennesaw, GA 30152
- 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 ....
- 12.12 Number of parcels involved .....
- 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 [ ] 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 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 [ ] No [ X ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ .....
  - 22.22 Amount paid as expenses.....\$ .....
  - 22.23 Other amounts paid.....\$ .....
- 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 securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) See Notes 5E and 17. ....
- 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. ....\$ ..... 3,076,001
- 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. ....\$ .....
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? ..... Yes [ X ] No [ ] N/A [ ]
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ X ] No [ ] N/A [ ]
- 24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? ..... Yes [ X ] No [ ] N/A [ ]

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.

**GENERAL INTERROGATORIES**

24.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:

24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....	\$ .....	3,076,011
24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....	\$ .....	3,076,001
24.093 Total payable for securities lending reported on the liability page .....	\$ .....	3,076,001

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 .....	\$ .....
25.22 Subject to reverse repurchase agreements .....	\$ .....
25.23 Subject to dollar repurchase agreements .....	\$ .....
25.24 Subject to reverse dollar repurchase agreements .....	\$ .....
25.25 Placed under option agreements .....	\$ .....
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock .....	\$ .....
25.27 FHLB Capital Stock .....	\$ .....
25.28 On deposit with states .....	\$ 195,440,315
25.29 On deposit with other regulatory bodies .....	\$ .....
25.30 Pledged as collateral - excluding collateral pledged to an FHLB .....	\$ .....
25.31 Pledged as collateral to FHLB - including assets backing funding agreements .....	\$ .....
25.32 Other .....	\$ .....

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?..... Yes [ ] No [ ] N/A [ ]  
If no, attach a description with this statement.

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 [ ]
26.42 Permitted accounting practice .....	Yes [ ] No [ ]
26.43 Other accounting guidance .....	Yes [ ] No [ ]

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 [ ]

- 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 Bank, N.A .....	383 Madison Ave, New York, NY 10179 .....

**GENERAL INTERROGATORIES**

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)
.....	.....	.....

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
.....	.....	.....	.....

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
Anthem, Inc. ....	I.....
Loomis, Sayles & Company, LP .....	U.....
Pacific Investment Management Company .....	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 [ X ] No [ ]

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 [ X ] No [ ]

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
105377 .....	Loomis, Sayles & Company, LP .....	J1ZPN2RX3UMNOYID1313 .....	Securities Exchange Commission .....	NO.....
104559 .....	Pacific Investment Management Company .....	549300KGPYQZXGMYYN38 .....	Securities Exchange Commission .....	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 [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....	.....	.....
29.2999 - Total		0

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
.....	.....	.....	.....

**GENERAL INTERROGATORIES**

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	311,470,332	328,604,942	17,134,610
30.2 Preferred stocks .....	0		0
30.3 Totals	311,470,332	328,604,942	17,134,610

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

Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized. ....

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:  
N/A .....

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:  
.....

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 [ X ]

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 a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.  
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.  
Has the reporting entity self-designated PLGI securities? ..... Yes [ ] No [ X ]

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 [ X ]

36. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:  
a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.  
b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.  
c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.  
d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a - 36.c are reported as long-term investments.  
Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? ..... Yes [ ] No [ X ] N/A [ ]

**GENERAL INTERROGATORIES**

**OTHER**

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....

37.2 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

38.1 Amount of payments for legal expenses, if any? .....\$ ..... 1,151,794

38.2 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

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ ..... 139,395

39.2 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
Internal ..... Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State as well as the cost of external contractors who provided lobbying services to the Company. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2020 Annual Statement .....	97,395

# 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. .... \$ \_\_\_\_\_

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 Current Year	2 Prior Year
2.1 Premium Numerator .....	1,759,048,006	1,452,529,575
2.2 Premium Denominator .....	1,759,048,006	1,452,529,575
2.3 Premium Ratio (2.1/2.2) .....	1.000	1.000
2.4 Reserve Numerator .....	266,055,602	144,111,429
2.5 Reserve Denominator .....	266,055,601	144,111,429
2.6 Reserve Ratio (2.4/2.5) .....	1.000	1.000

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 [ ]

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

5.2 If no, explain:  
The Company became self insured with regulatory approval effective 7/1/13.

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical ..... \$ \_\_\_\_\_

5.32 Medical Only ..... \$ \_\_\_\_\_

5.33 Medicare Supplement ..... \$ \_\_\_\_\_

5.34 Dental & Vision ..... \$ \_\_\_\_\_

5.35 Other Limited Benefit Plan ..... \$ \_\_\_\_\_

5.36 Other ..... \$ \_\_\_\_\_

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:  
Physician and hospital contracts contain provisions, including hold harmless agreements, to protect members and dependents against insolvency. ....

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? ..... Yes [ X ] No [ ]

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year ..... 19,861

8.2 Number of providers at end of reporting year ..... 29,344

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**

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? ..... Yes [ X ] No [ ]
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses .....\$ .....12,770,080
- 10.22 Amount actually paid for year bonuses.....\$ .....11,203,808
- 10.23 Maximum amount payable withholds.....\$ .....
- 10.24 Amount actually paid for year withholds.....\$ .....
- 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 [ X ] No [ ]
- 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. .... \$ 116,109,668
- 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  
200% RBC Company Action Level

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

1 Name of Service Area
Atlantic County .....
Bergen County .....
Burlington County .....
Camden County .....
Cape May County .....
Cumberland County .....
Essex County .....
Gloucester County .....
Hudson County .....
Hunterdon County .....
Mercer County .....
Middlesex County .....
Monmouth County .....
Morris County .....
Ocean County .....
Passaic County .....
Salem County .....
Somerset County .....
South Unk County .....
Sussex County .....
Union County .....
Warren County .....

- 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 funds administered as of the reporting date. .... \$ .....
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, 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 gurarantee)
Universal Life (with or without secondary gurarantee)
Variable Universal Life (with or without secondary gurarantee)

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 ]



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Amerigroup New Jersey, Inc.

**FIVE-YEAR HISTORICAL DATA**

	1 2020	2 2019	3 2018	4 2017	5 2016
<b>Balance Sheet</b> (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	549,411,915	357,336,307	359,018,068	313,484,579	317,983,596
2. Total liabilities (Page 3, Line 24)	352,419,195	174,922,693	195,189,779	151,975,522	149,155,390
3. Statutory minimum capital and surplus requirement	116,109,668	105,120,748	94,937,482	92,271,124	97,594,162
4. Total capital and surplus (Page 3, Line 33)	196,992,720	182,413,614	163,828,289	161,509,057	168,828,206
<b>Income Statement</b> (Page 4)					
5. Total revenues (Line 8)	1,682,573,259	1,451,939,363	1,381,153,142	1,365,920,211	1,304,314,479
6. Total medical and hospital expenses (Line 18)	1,417,927,937	1,284,022,337	1,157,785,700	1,146,846,367	1,057,001,634
7. Claims adjustment expenses (Line 20)	84,338,726	76,783,394	70,013,284	74,390,185	64,274,470
8. Total administrative expenses (Line 21)	141,537,202	82,495,800	96,727,556	87,993,944	80,396,150
9. Net underwriting gain (loss) (Line 24)	38,769,394	12,999,902	52,264,532	56,689,715	102,642,225
10. Net investment gain (loss) (Line 27)	6,938,768	6,966,142	5,863,541	4,937,979	5,300,436
11. Total other income (Lines 28 plus 29)	1,298,938	567,445	(3,332)	(875)	0
12. Net income or (loss) (Line 32)	31,752,752	18,877,115	41,593,012	41,112,161	65,245,124
<b>Cash Flow</b> (Page 6)					
13. Net cash from operations (Line 11)	187,398,261	46,381,078	36,695,120	78,504,472	47,031,011
<b>Risk-Based Capital Analysis</b>					
14. Total adjusted capital	196,992,720	182,413,614	163,828,289	161,509,057	168,828,206
15. Authorized control level risk-based capital	58,054,834	52,560,374	47,468,741	46,135,562	41,132,795
<b>Enrollment</b> (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	247,378	192,722	178,434	194,268	209,161
17. Total members months (Column 6, Line 7)	2,683,523	2,256,379	2,252,168	2,442,666	2,515,372
<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)	84.3	88.4	83.8	84.0	81.0
20. Cost containment expenses	3.7	4.1	3.9	4.1	3.7
21. Other claims adjustment expenses	1.3	1.2	1.1	1.3	1.2
22. Total underwriting deductions (Line 23)	97.7	99.1	96.2	95.8	92.1
23. Total underwriting gain (loss) (Line 24)	2.3	0.9	3.8	4.2	7.9
<b>Unpaid Claims Analysis</b> (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	128,598,461	117,466,953	102,502,207	102,898,520	84,689,830
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	134,663,631	109,670,790	115,966,448	111,486,411	104,796,453
<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 Schedule 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**

1 States, etc.	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	
2. Alaska	AK	N							0	
3. Arizona	AZ	N							0	
4. Arkansas	AR	N							0	
5. California	CA	N							0	
6. Colorado	CO	N							0	
7. Connecticut	CT	N							0	
8. Delaware	DE	N							0	
9. District of Columbia	DC	N							0	
10. Florida	FL	N							0	
11. Georgia	GA	N							0	
12. Hawaii	HI	N							0	
13. Idaho	ID	N							0	
14. Illinois	IL	N							0	
15. Indiana	IN	N							0	
16. Iowa	IA	N							0	
17. Kansas	KS	N							0	
18. Kentucky	KY	N							0	
19. Louisiana	LA	N							0	
20. Maine	ME	N							0	
21. Maryland	MD	N							0	
22. Massachusetts	MA	N							0	
23. Michigan	MI	N							0	
24. Minnesota	MN	N							0	
25. Mississippi	MS	N							0	
26. Missouri	MO	N							0	
27. Montana	MT	N							0	
28. Nebraska	NE	N							0	
29. Nevada	NV	N							0	
30. New Hampshire	NH	N							0	
31. New Jersey	NJ	L	39,632,904	436,792,072	1,282,623,030				1,759,048,006	
32. New Mexico	NM	N							0	
33. New York	NY	N							0	
34. North Carolina	NC	N							0	
35. North Dakota	ND	N							0	
36. Ohio	OH	N							0	
37. Oklahoma	OK	N							0	
38. Oregon	OR	N							0	
39. Pennsylvania	PA	N							0	
40. Rhode Island	RI	N							0	
41. South Carolina	SC	N							0	
42. South Dakota	SD	N							0	
43. Tennessee	TN	N							0	
44. Texas	TX	N							0	
45. Utah	UT	N							0	
46. Vermont	VT	N							0	
47. Virginia	VA	N							0	
48. Washington	WA	N							0	
49. West Virginia	WV	N							0	
50. Wisconsin	WI	N							0	
51. Wyoming	WY	N							0	
52. American Samoa	AS	N							0	
53. Guam	GU	N							0	
54. Puerto Rico	PR	N							0	
55. U.S. Virgin Islands	VI	N							0	
56. Northern Mariana Islands	MP	N							0	
57. Canada	CAN	N							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	39,632,904	436,792,072	1,282,623,030	0	0	0	1,759,048,006	0	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	XXX	39,632,904	436,792,072	1,282,623,030	0	0	0	1,759,048,006	0	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0

(a) Active Status Counts:

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

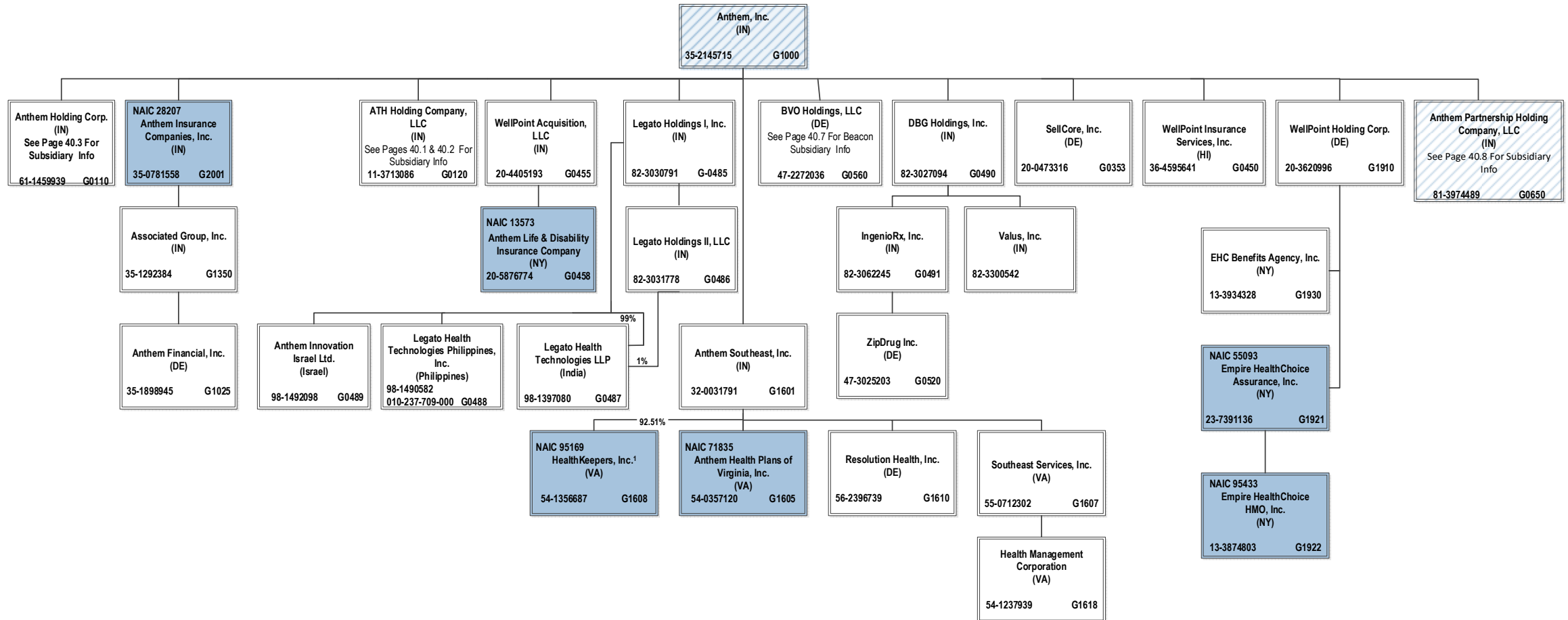
(b) Explanation of basis of allocation by states, premiums by state, etc.  
 N/A

# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



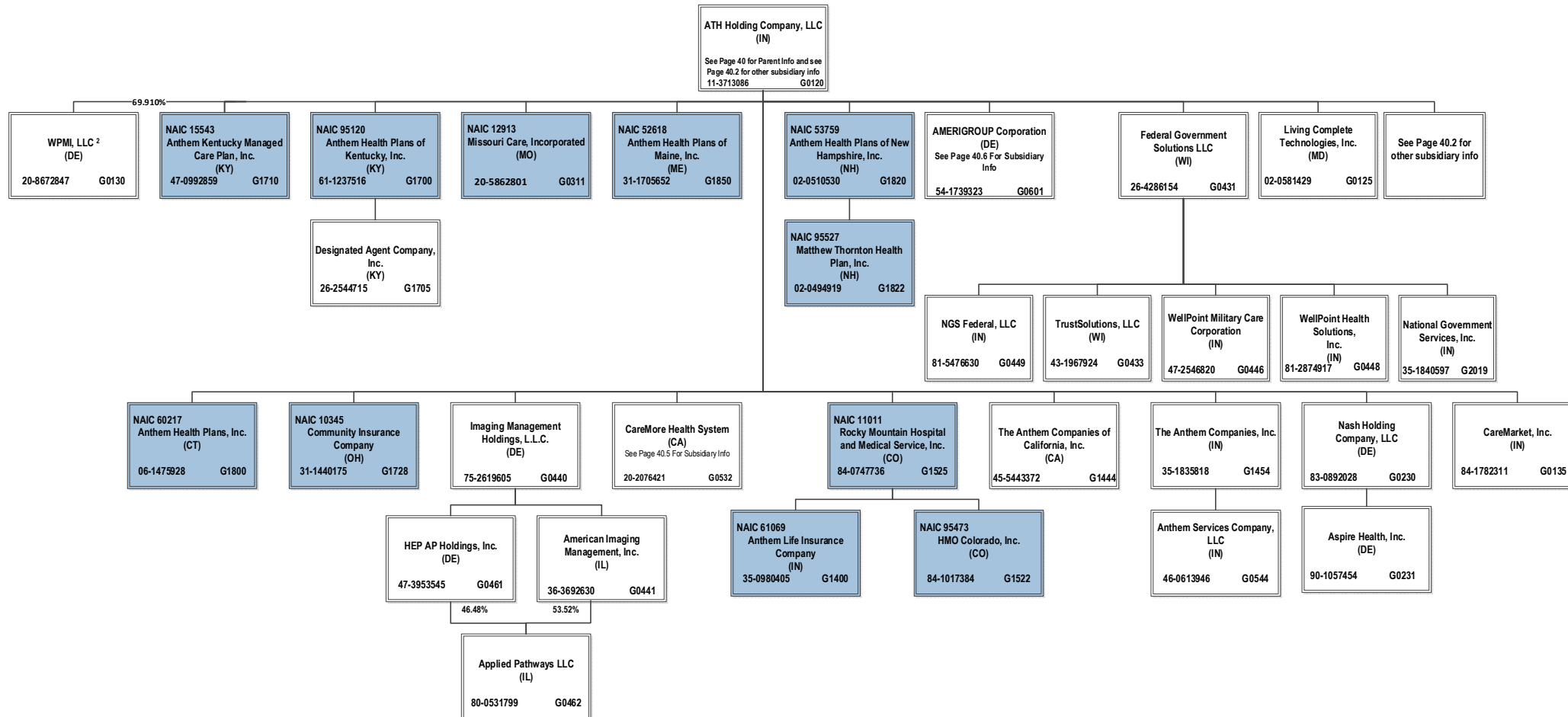
<sup>1</sup> HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

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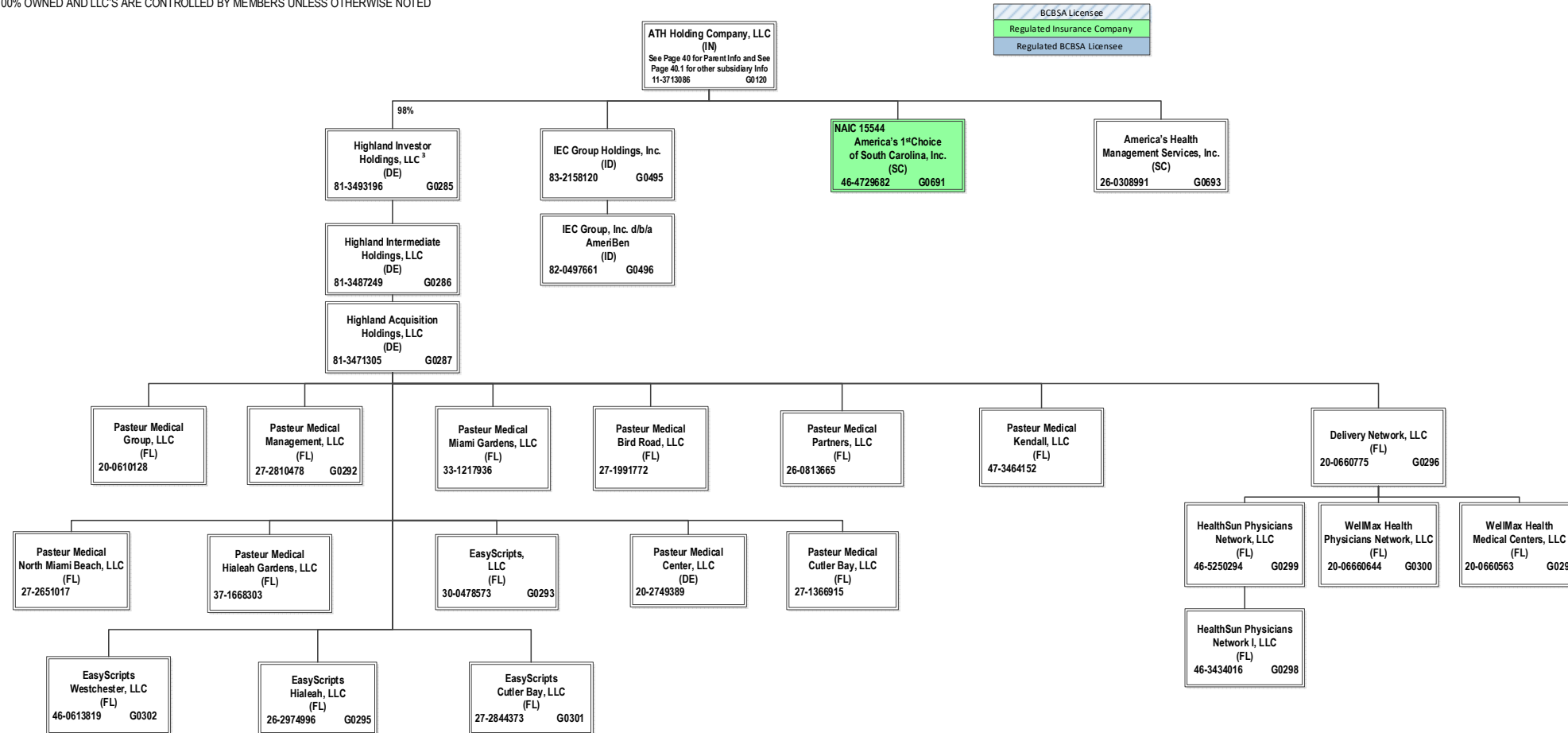
40.1

<sup>2</sup> 30.09% of WPMI, LLC is owned by unaffiliated investors

# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



40.2

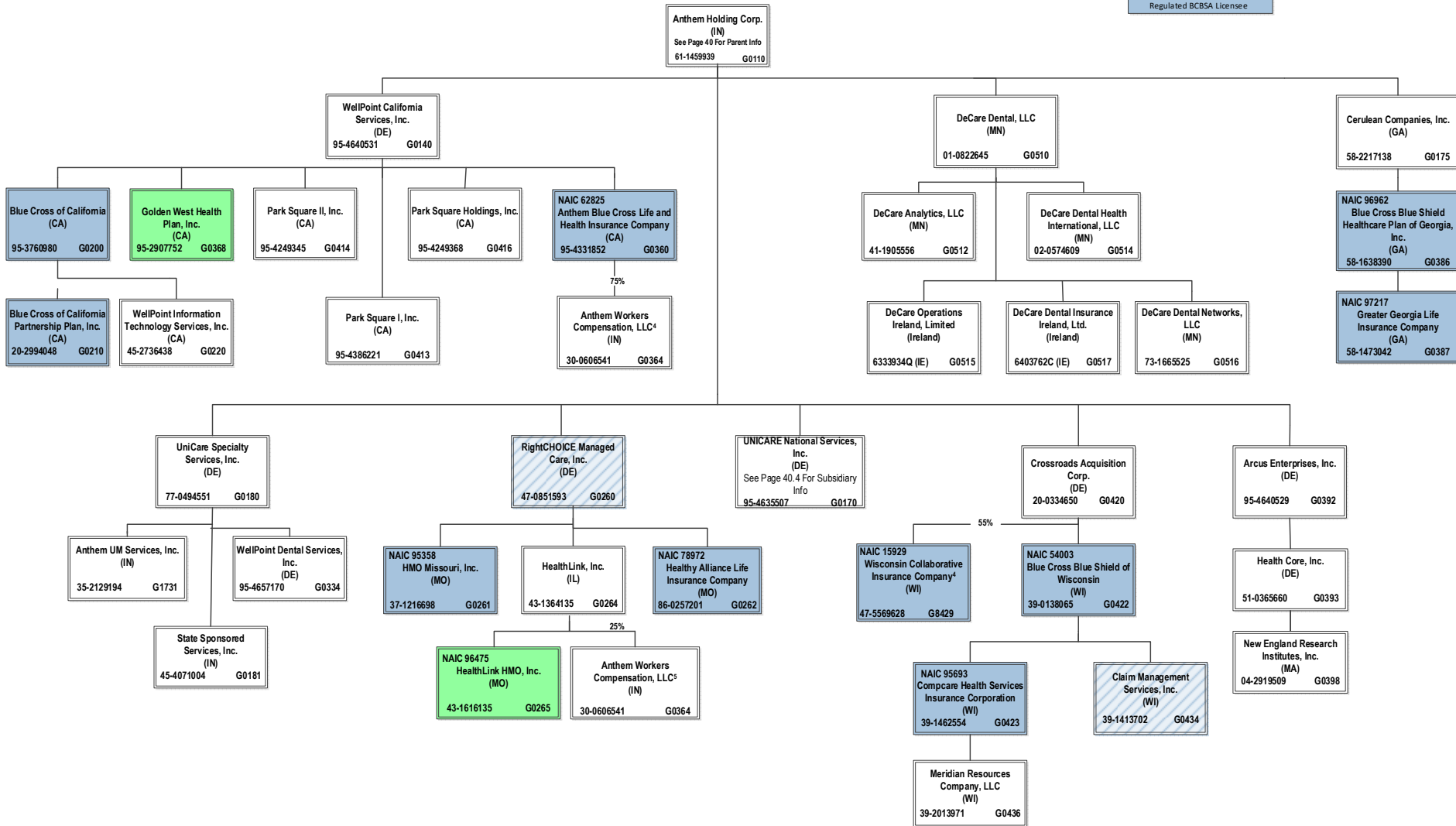
³ ATH Holding Company, LLC holds a 98% interest in Highland Investor Holdings, LLC, and Amerigroup Corporation holds the remaining 2% interest.

# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

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Regulated Insurance Company
Regulated BCBSA Licensee



<sup>4</sup> 45% of WCIC is owned by Aurora Health Care, Inc. (non-affiliate). Not consolidated for accounting purposes.

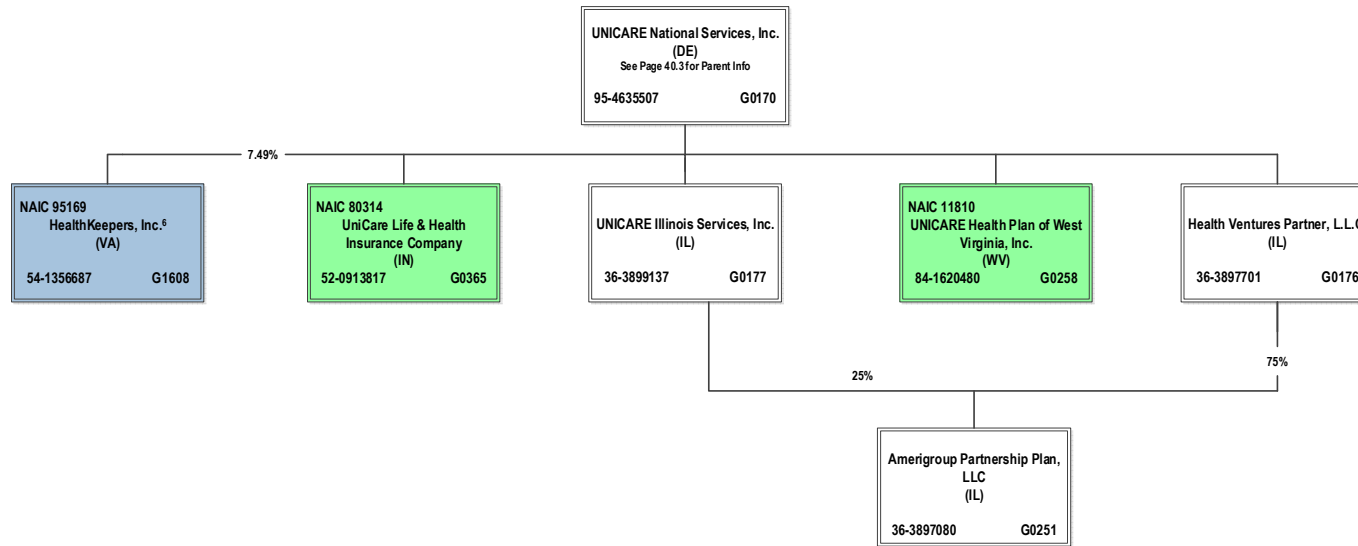
<sup>5</sup> Anthem Workers' Compensation LLC is owned 75% by Anthem Blue Cross Life and Health Insurance Company and 25% by HealthLink, Inc.

40.3

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

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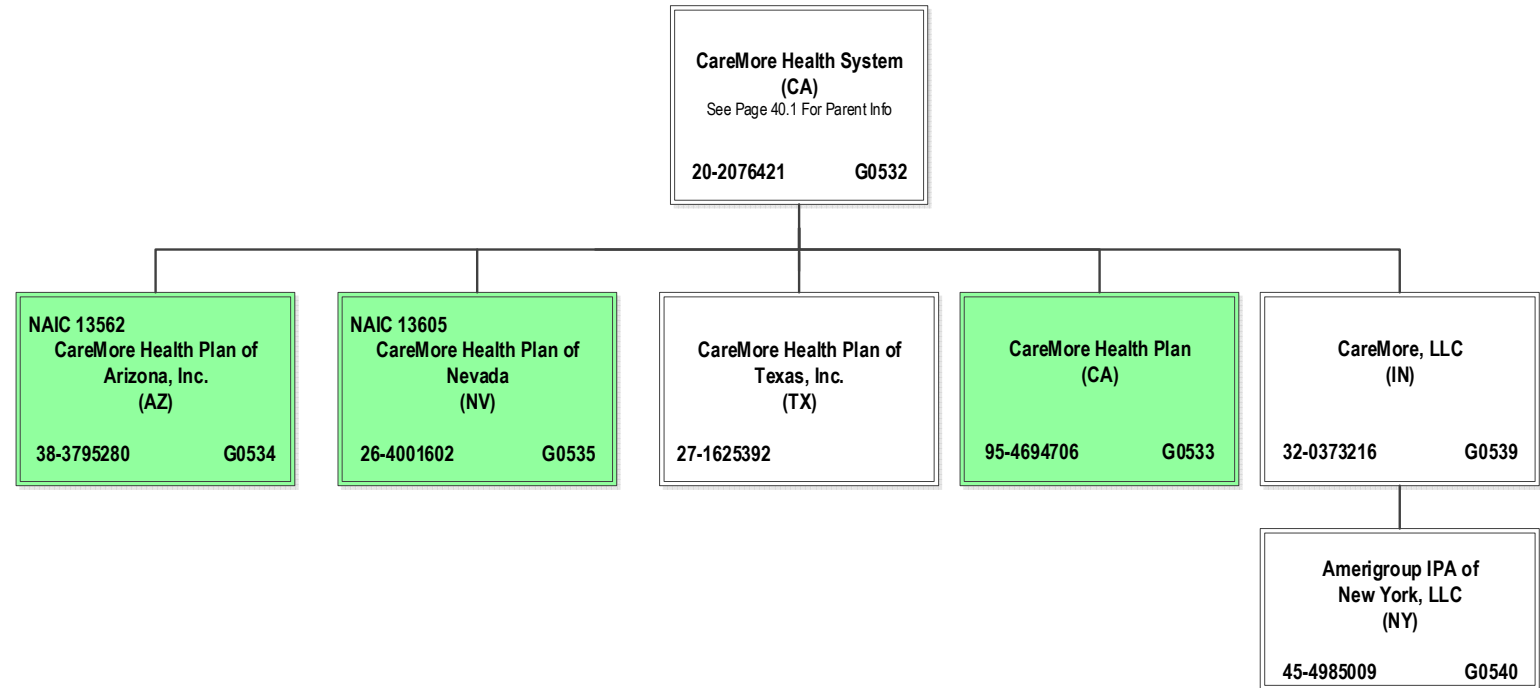


<sup>6</sup> HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

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

BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

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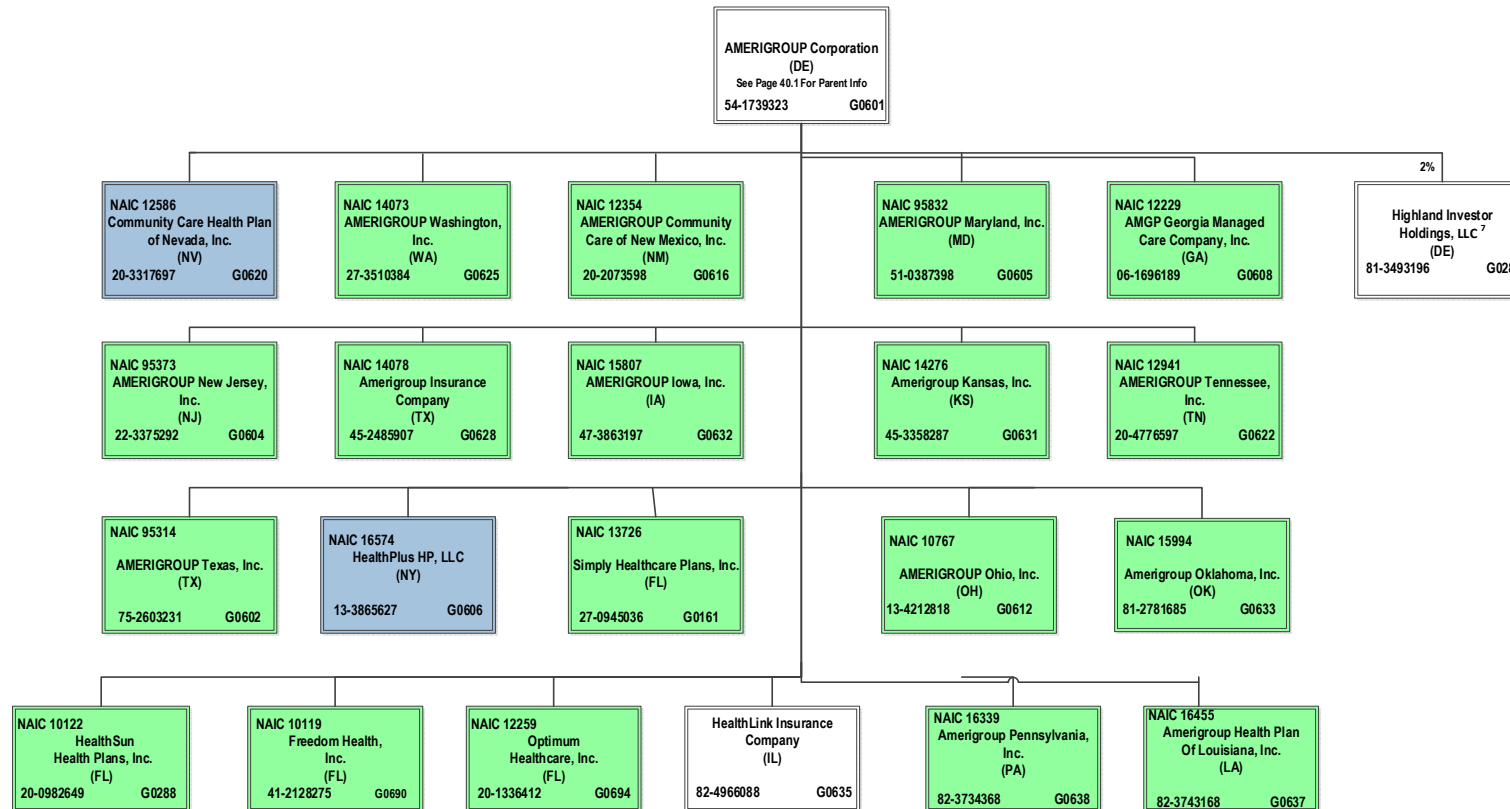


# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

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Regulated Insurance Company
Regulated BCBSA Licensee



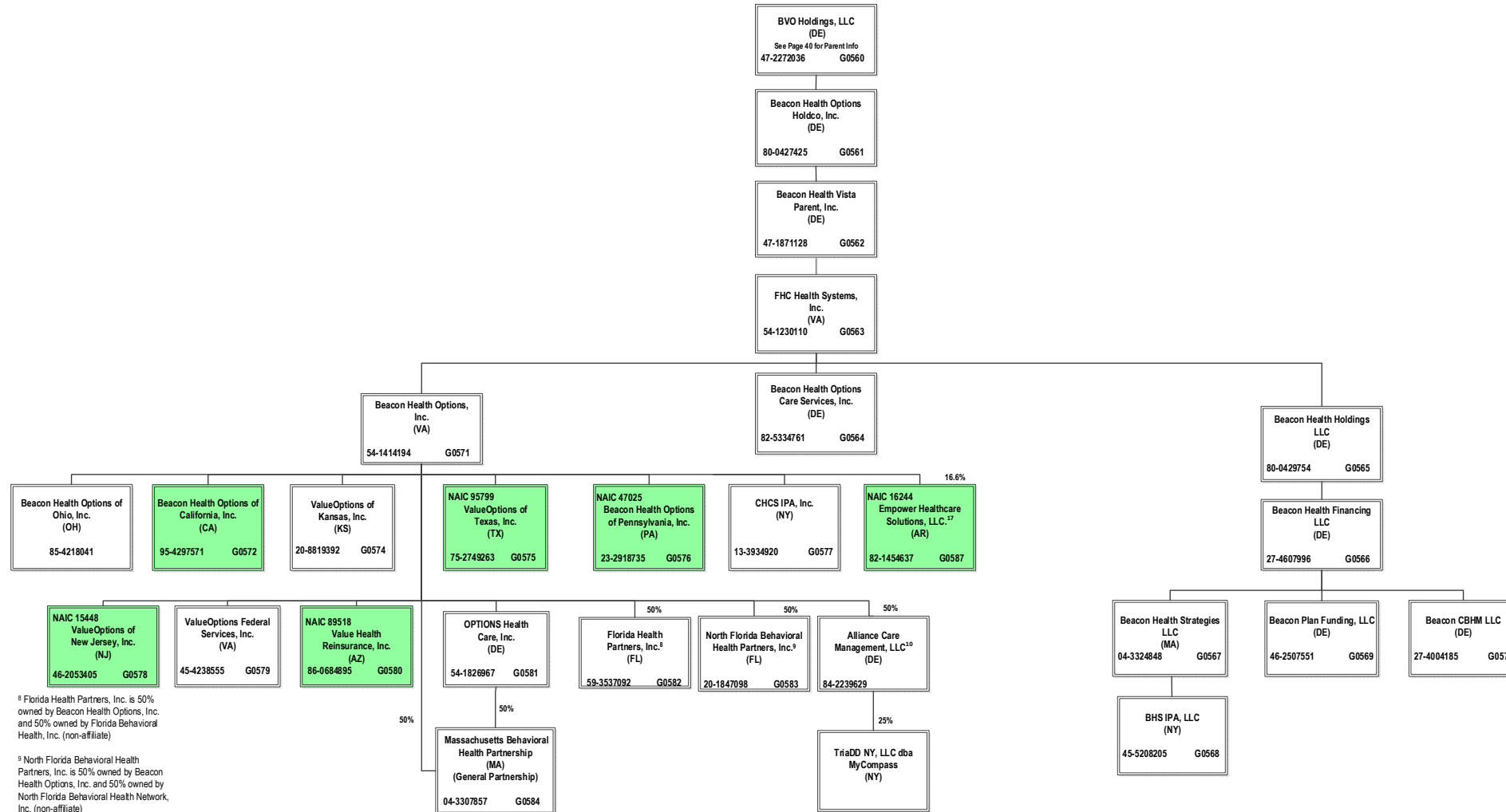
<sup>7</sup> Amerigroup Corporation holds a 2% interest in Highland Investor Holdings, LLC, and ATH Holding Company, LLC holds the remaining 98% interest.

# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART

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<sup>8</sup> Florida Health Partners, Inc. is 50% owned by Beacon Health Options, Inc. and 50% owned by Florida Behavioral Health, Inc. (non-affiliate)

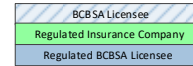
<sup>9</sup> North Florida Behavioral Health Partners, Inc. is 50% owned by Beacon Health Options, Inc. and 50% owned by North Florida Behavioral Health Network, Inc. (non-affiliate)

<sup>10</sup> Alliance Care Management, LLC is 50% owned by Beacon Health Options, Inc. and 50% owned by HealthPlus HP, LLC.

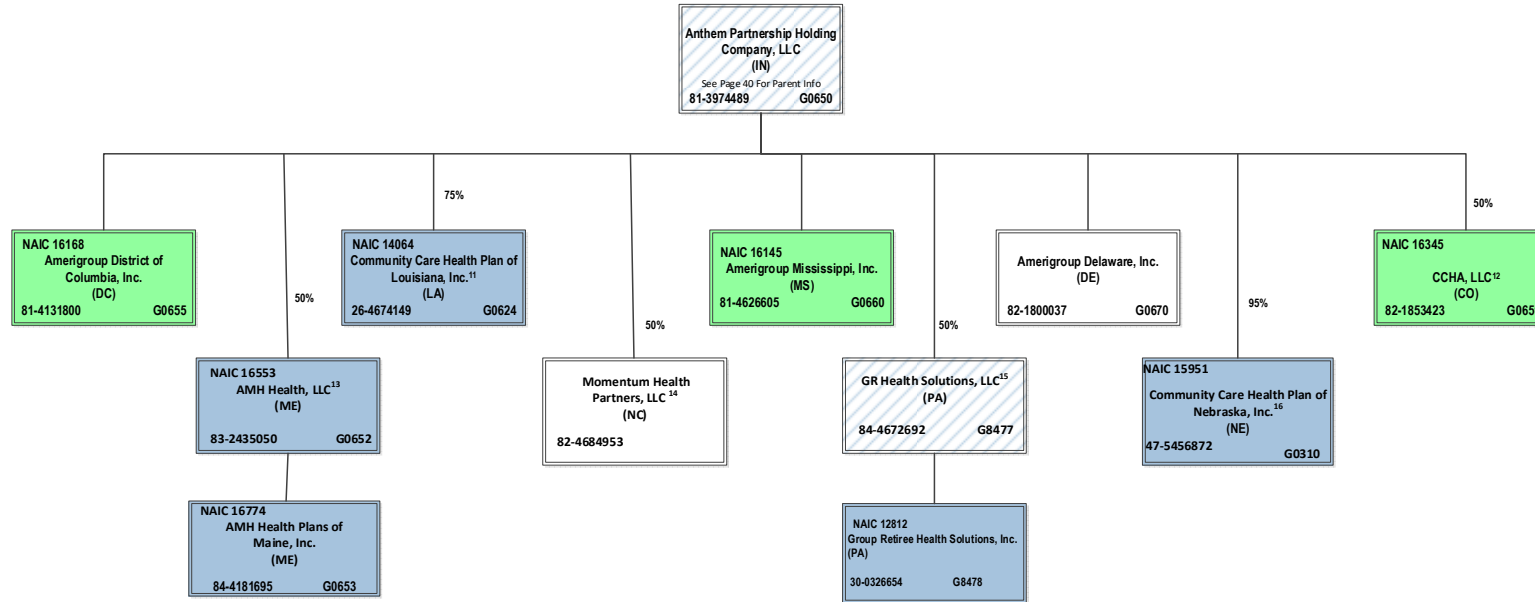
<sup>17</sup> Empower Healthcare Solutions, LLC (AR) is owned 16.6% by Beacon Health Options, Inc. and 83.4% by (non-affiliates)

# SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 – ORGANIZATIONAL CHART



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<sup>11</sup> Community Care Health Plan of Louisiana, Inc. is a joint venture 75% owned by Anthem Partnership Holding Company, LLC and 25% owned by Louisiana Health Service & Indemnity Company d/b/a Blue Cross and Blue Shield of Louisiana (non-affiliate)

<sup>12</sup> CCHA, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Colorado Community Health Alliance, LLC (non-affiliate)

<sup>13</sup> AMH Health, LLC is a joint venture 50% owned by MaineHealth (non-affiliate) and 50% owned by Anthem Partnership Holding Company, LLC

<sup>14</sup> Momentum Health Partners, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Blue Cross and Blue Shield of North Carolina (non-affiliate)

<sup>15</sup> GR Health Solutions, LLC is a joint venture 50% owned by Anthem Partnership Holding Company, LLC and 50% owned by Independence Blue Cross, LLC (non-affiliate)

<sup>16</sup> Anthem Partnership Holding Company, LLC holds a 95% interest in Community Care Health Plan of Nebraska, Inc., and Blue Cross and Blue Shield of Nebraska, Inc. (non-affiliate) holds the remaining 5%

**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
2304. Dividend Payable .....	18,700,000		18,700,000	0
2397. Summary of remaining write-ins for Line 23 from overflow page	18,700,000	0	18,700,000	0