



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2020
 OF THE CONDITION AND AFFAIRS OF THE

Horizon Healthcare Services, Inc.

(Name)

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

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

Country of Domicile United States

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

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

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

Main Administrative Office 3 Penn Plaza East Ste PP-15D
(Street and Number)
Newark, NJ, US 07105-2248 973-466-5607
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

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

Primary Location of Books and Records 3 Penn Plaza East Ste PP-15D
(Street and Number)
Newark, NJ, US 07105-2248 973-466-5607
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number) (Extension)

Internet Web Site Address www.horizonblue.com

Statutory Statement Contact Thomas D Protentis , 973-466-5607
(Name) (Area Code) (Telephone Number) (Extension)
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(E-Mail Address) (Fax Number)

OFFICERS

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

OTHER OFFICERS

<u>Mark Leon Barnard</u>	<u>EVP, Government Programs & Operations</u>	<u>William Delano Georges</u>	<u>SVP, Chief Strategy Officer</u>
<u>Allen James Karp</u>	<u>EVP, Healthcare Management & Transformation</u>	<u>Christopher Michael Lepre</u>	<u>EVP, Commercial</u>

DIRECTORS OR TRUSTEES

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

State of New Jersey

ss

County of Essex

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

Linda Anne Willett
SVP, General Counsel & Secretary

Douglas Richard Simpson
SVP, CFO

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

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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, 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).....	2,827,956,206	0	2,827,956,206	2,261,183,973
2. Stocks (Schedule D):				
2.1 Preferred stocks	4,459,152	0	4,459,152	5,328,997
2.2 Common stocks	1,826,380,837	23,346,972	1,803,033,865	1,671,352,296
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$ encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$ encumbrances)	0	0	0	0
5. Cash (\$(265,350,770) , Schedule E-Part 1), cash equivalents (\$57,023,418 , Schedule E-Part 2) and short-term investments (\$15,005,390 , Schedule DA).....	(193,321,962)	0	(193,321,962)	(231,489,205)
6. Contract loans (including \$ premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA)	10,175,585	0	10,175,585	783,973
9. Receivables for securities	9,883,935	0	9,883,935	246,632
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	4,485,533,752	23,346,972	4,462,186,780	3,707,406,665
13. Title plants less \$ charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued	17,013,779	0	17,013,779	17,548,046
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	223,816,346	4,247,888	219,568,458	253,516,504
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....	0	0	0	0
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	172,000,000	0	172,000,000	150,342,090
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	268,805,950	0	268,805,950	76,879,397
17. Amounts receivable relating to uninsured plans	450,413,908	15,277,425	435,136,483	426,964,161
18.1 Current federal and foreign income tax recoverable and interest thereon	37,755,449	0	37,755,449	143,732,570
18.2 Net deferred tax asset.....	0	0	0	131,591,297
19. Guaranty funds receivable or on deposit	25,223,243	0	25,223,243	30,613,328
20. Electronic data processing equipment and software.....	31,305,267	0	31,305,267	39,235,174
21. Furniture and equipment, including health care delivery assets (\$)	478,444,962	478,444,962	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	380,142,985	0	380,142,985	215,067,194
24. Health care (\$167,429,375) and other amounts receivable.....	427,317,287	115,246	427,202,041	378,877,867
25. Aggregate write-ins for other-than-invested assets	504,368,703	387,723,467	116,645,236	113,092,278
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	7,502,141,631	909,155,960	6,592,985,671	5,684,866,572
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27)	7,502,141,631	909,155,960	6,592,985,671	5,684,866,572
DETAILS OF WRITE-INS				
1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Prepaid Expenses.....	386,255,575	386,255,575	0	0
2502. Non-Bankable checks.....	1,467,892	1,467,892	0	0
2503. State Income Tax Recoverable.....	0	0	0	9,171
2598. Summary of remaining write-ins for Line 25 from overflow page	116,645,236	0	116,645,236	113,083,107
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	504,368,703	387,723,467	116,645,236	113,092,278

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	1,275,840,492	0	1,275,840,492	1,009,441,755
2. Accrued medical incentive pool and bonus amounts	0	0	0	0
3. Unpaid claims adjustment expenses	9,677,807	0	9,677,807	8,316,897
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	448,797,319	0	448,797,319	217,222,187
5. Aggregate life policy reserves	0	0	0	0
6. Property/casualty unearned premium reserves	0	0	0	0
7. Aggregate health claim reserves	0	0	0	0
8. Premiums received in advance	88,416,324	0	88,416,324	87,601,453
9. General expenses due or accrued	1,107,912,893	0	1,107,912,893	1,064,301,124
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	0	0	0	0
10.2 Net deferred tax liability	0	0	0	0
11. Ceded reinsurance premiums payable	0	0	0	0
12. Amounts withheld or retained for the account of others	23,941,883	0	23,941,883	0
13. Remittances and items not allocated	0	0	0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)	71,240,963	0	71,240,963	80,454,251
15. Amounts due to parent, subsidiaries and affiliates	85,514,285	0	85,514,285	73,500,219
16. Derivatives	0	0	0	0
17. Payable for securities	7,869,461	0	7,869,461	1,754,780
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers)	0	0	0	0
20. Reinsurance in unauthorized and certified (\$) companies	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans	7,464,000	0	7,464,000	7,520,000
23. Aggregate write-ins for other liabilities (including \$ current)	397,074,824	0	397,074,824	402,073,528
24. Total liabilities (Lines 1 to 23)	3,523,750,251	0	3,523,750,251	2,952,186,194
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	198,410,758
26. Common capital stock	XXX	XXX	0	0
27. Preferred capital stock	XXX	XXX	0	0
28. Gross paid in and contributed surplus	XXX	XXX	0	0
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX	3,069,235,420	2,534,269,620
31. Unassigned funds (surplus)	XXX	XXX	0	0
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX	0	0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	3,069,235,420	2,732,680,378
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	6,592,985,671	5,684,866,572
DETAILS OF WRITE-INS				
2301. Deposits from other organizations	158,734,518	0	158,734,518	156,282,113
2302. Liability for post-retirement benefits	107,575,430	0	107,575,430	104,249,539
2303. Risk Adjustment Payable	130,764,876	0	130,764,876	141,541,876
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	397,074,824	0	397,074,824	402,073,528
2501. 2020 Insurer Fee	XXX	XXX	0	198,410,758
2502.	XXX	XXX	0	0
2503.	XXX	XXX	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	198,410,758
3001. Special contingent surplus-Individual contracts	XXX	XXX	1,394,479,665	706,698,361
3002. Special contingent surplus-other	XXX	XXX	1,674,755,755	1,827,571,259
3003.	XXX	XXX	0	0
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	3,069,235,420	2,534,269,620

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	14,793,648	14,898,941
2. Net premium income (including \$0 non-health premium income).....	XXX	12,272,315,388	11,611,553,406
3. Change in unearned premium reserves and reserve for rate credits	XXX	3,387,882	(64,002,373)
4. Fee-for-service (net of \$ medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	12,275,703,270	11,547,551,033
Hospital and Medical:			
9. Hospital/medical benefits	0	4,232,819,067	4,316,420,285
10. Other professional services	0	219,784,575	169,113,179
11. Outside referrals	0	193,286,932	188,535,752
12. Emergency room and out-of-area	0	33,669,485	30,580,615
13. Prescription drugs	0	682,954,418	699,506,306
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....	0	0	0
16. Subtotal (Lines 9 to 15)	0	5,362,514,477	5,404,156,137
Less:			
17. Net reinsurance recoveries	0	(4,777,698,746)	(4,701,561,616)
18. Total hospital and medical (Lines 16 minus 17)	0	10,140,213,223	10,105,717,753
19. Non-health claims (net).....	0	0	0
20. Claims adjustment expenses, including \$273,355,633 cost containment expenses.....	0	375,185,928	344,960,254
21. General administrative expenses.....	0	1,625,934,229	1,330,523,114
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....	0	0	0
23. Total underwriting deductions (Lines 18 through 22)	0	12,141,333,380	11,781,201,121
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	134,369,890	(233,650,088)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	0	86,311,821	80,198,037
26. Net realized capital gains (losses) less capital gains tax of \$	0	(15,191,388)	9,252,275
27. Net investment gains (losses) (Lines 25 plus 26)	0	71,120,433	89,450,312
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]	0	0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	205,490,323	(144,199,776)
31. Federal and foreign income taxes incurred	XXX	(147,975,206)	(145,422,689)
32. Net income (loss) (Lines 30 minus 31)	XXX	353,465,529	1,222,913
DETAILS OF WRITE-INS			
0601.	XXX	0	0
0602.	XXX	0	0
0603.	XXX	0	0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX	0	0
0702.	XXX	0	0
0703.	XXX	0	0
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.	0	0	0
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901.	0	0	0
2902.	0	0	0
2903.	0	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	2,732,680,377	2,985,261,366
34. Net income or (loss) from Line 32	353,465,529	1,222,913
35. Change in valuation basis of aggregate policy and claim reserves	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 9,122,200	96,692,995	145,588,570
37. Change in net unrealized foreign exchange capital gain or (loss)	4,314,112	1,259,201
38. Change in net deferred income tax	(123,043,436)	(128,420,260)
39. Change in nonadmitted assets	8,156,750	(272,658,665)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles	0	0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)	0	0
44.3 Transferred to surplus	0	0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital	0	0
46. Dividends to stockholders	0	0
47. Aggregate write-ins for gains or (losses) in surplus	(3,030,907)	427,252
48. Net change in capital and surplus (Lines 34 to 47)	336,555,043	(252,580,989)
49. Capital and surplus end of reporting year (Line 33 plus 48)	3,069,235,420	2,732,680,377
DETAILS OF WRITE-INS		
4701. Adjustment to PY Change in Reserves.....	(879,338)	0
4702. Adjustment to PY Change in Mkt Value of Stocks.....	9,038	0
4703. Change in Pension\OPEB.....	(2,160,607)	427,252
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	(3,030,907)	427,252

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	12,542,150,439	11,624,627,906
2. Net investment income	91,401,240	85,859,697
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	12,633,551,680	11,710,487,603
5. Benefit and loss related payments	9,895,472,396	10,179,872,779
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	2,136,855,126	1,451,823,135
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(253,952,327)	(302,188,732)
10. Total (Lines 5 through 9)	11,778,375,195	11,329,507,182
11. Net cash from operations (Line 4 minus Line 10)	855,176,485	380,980,422
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,091,542,022	1,273,102,979
12.2 Stocks	93,543,815	297,325,870
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	74,468,317
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(5,827)	132,690
12.7 Miscellaneous proceeds	26,658,302	6,647,969
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,211,738,311	1,651,677,826
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,674,203,484	1,406,243,293
13.2 Stocks	117,320,045	315,972,847
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	9,391,612	148,259
13.6 Miscellaneous applications	30,110,947	4,048,123
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,831,026,088	1,726,412,522
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(619,287,777)	(74,734,696)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	(9,213,288)	(169,248,504)
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	(188,508,178)	(132,973,465)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(197,721,466)	(302,221,969)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	38,167,242	4,023,756
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(231,489,205)	(235,512,961)
19.2 End of year (Line 18 plus Line 19.1)	(193,321,963)	(231,489,205)

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	12,272,315,388	5,281,224,749	223,116,070	129,394,646	0	897,771,809	565,531,152	5,094,546,740	80,730,222	0
2. Change in unearned premium reserves and reserve for rate credit	3,387,882	3,068,362	683,679	(211,203)	0	0	68,029	(222,052)	1,067	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)	12,275,703,270	5,284,293,111	223,799,749	129,183,443	0	897,771,809	565,599,181	5,094,324,688	80,731,289	0
8. Hospital/medical benefits	4,232,819,067	3,307,983,062	0	82,060,517	0	799,583,331	0	0	43,192,157	XXX
9. Other professional services	219,784,575	195,820,532	0	0	0	23,964,043	0	0	0	XXX
10. Outside referrals	193,286,932	193,286,932	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	33,669,485	33,669,485	0	0	0	0	0	0	0	XXX
12. Prescription drugs	682,954,418	682,954,418	0	0	0	0	0	0	0	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0	0	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14)	5,362,514,477	4,413,714,429	0	82,060,517	0	823,547,374	0	0	43,192,157	XXX
16. Net reinsurance recoveries	(4,777,698,746)	173,548,112	(160,628,823)	0	0	0	(491,570,342)	(4,270,287,630)	(28,760,063)	XXX
17. Total hospital and medical (Lines 15 minus 16)	10,140,213,223	4,240,166,317	160,628,823	82,060,517	0	823,547,374	491,570,342	4,270,287,630	71,952,220	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 273,355,633 cost containment expenses	375,185,928	213,043,793	4,959,132	4,611,653	0	15,961,673	14,380,281	121,712,311	517,085	0
20. General administrative expenses	1,625,934,229	923,262,756	21,491,272	19,985,411	0	69,172,718	62,319,478	527,461,714	2,240,880	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)	12,141,333,380	5,376,472,866	187,079,227	106,657,581	0	908,681,765	568,270,101	4,919,461,655	74,710,185	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	134,369,890	(92,179,755)	36,720,522	22,525,862	0	(10,909,956)	(2,670,920)	174,863,033	6,021,104	0
DETAILS OF WRITE-INS										
0501.	0	0	0	0	0	0	0	0	0	XXX
0502.	0	0	0	0	0	0	0	0	0	XXX
0503.	0	0	0	0	0	0	0	0	0	XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)	5,296,494,528	18,237,326	33,507,105	5,281,224,749
2. Medicare Supplement .....	.0	223,116,070	.0	223,116,070
3. Dental only.....	129,394,646	.0	.0	129,394,646
4. Vision only.....	.0	.0	.0	.0
5. Federal Employees Health Benefits Plan	897,771,809	.0	.0	897,771,809
6. Title XVIII - Medicare .....	.0	565,531,152	.0	565,531,152
7. Title XIX - Medicaid.....	.0	5,094,546,740	.0	5,094,546,740
8. Other health.....	49,439,220	31,291,002	.0	80,730,222
9. Health subtotal (Lines 1 through 8)	6,373,100,203	5,932,722,290	33,507,105	12,272,315,388
10. Life .....	.0	.0	.0	.0
11. Property/casualty.....	.0	.0	.0	.0
12. Totals (Lines 9 to 11)	6,373,100,203	5,932,722,290	33,507,105	12,272,315,388

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non- Health
1. Payments during the year:										
1.1 Direct	5,274,258,253	4,326,670,434	0	81,700,517	0	824,695,145	0	0	41,192,157	0
1.2 Reinsurance assumed	4,822,342,003	16,771,144	156,345,303	0	0	0	463,730,661	4,157,614,132	27,880,763	0
1.3 Reinsurance ceded	193,684,286	193,684,286	0	0	0	0	0	0	0	0
1.4 Net	9,902,915,970	4,149,757,292	156,345,303	81,700,517	0	824,695,145	463,730,661	4,157,614,132	69,072,920	0
2. Paid medical incentive pools and bonuses	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	656,580,341	575,866,305	0	6,737,000	0	65,212,036	0	0	8,765,000	0
3.2 Reinsurance assumed	619,260,151	4,636,480	27,268,373	0	0	0	81,530,798	504,179,300	1,645,200	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	1,275,840,492	580,502,785	27,268,373	6,737,000	0	65,212,036	81,530,798	504,179,300	10,410,200	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0	0	0	0	0	0	0	0	0	0
6. Net healthcare receivables (a).....	29,101,484	29,114,284	0	0	0	(12,800)	0	0	0	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	539,222,632	459,708,025	0	6,377,000	0	66,372,607	0	0	6,765,000	0
8.2 Reinsurance assumed	470,219,123	1,271,450	22,984,853	0	0	0	53,691,118	391,505,802	765,900	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	1,009,441,755	460,979,475	22,984,853	6,377,000	0	66,372,607	53,691,118	391,505,802	7,530,900	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	5,362,514,478	4,413,714,430	0	82,060,517	0	823,547,374	0	0	43,192,157	0
12.2 Reinsurance assumed	4,971,383,031	20,136,174	160,628,823	0	0	0	491,570,341	4,270,287,630	28,760,063	0
12.3 Reinsurance ceded	193,684,286	193,684,286	0	0	0	0	0	0	0	0
12.4 Net	10,140,213,223	4,240,166,318	160,628,823	82,060,517	0	823,547,374	491,570,341	4,270,287,630	71,952,220	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	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 and Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1. Direct	207,941,336	207,645,571	0	295,765	0	0	0	0	0	0
1.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
1.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
1.4. Net	207,941,336	207,645,571	0	295,765	0	0	0	0	0	0
2. Incurred but Unreported:										
2.1. Direct	448,639,005	368,220,734	0	6,441,235	0	65,212,036	0	0	8,765,000	0
2.2. Reinsurance assumed	619,260,151	4,636,480	27,268,373	0	0	0	81,530,798	504,179,300	1,645,200	0
2.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
2.4. Net	1,067,899,156	372,857,214	27,268,373	6,441,235	0	65,212,036	81,530,798	504,179,300	10,410,200	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1. Direct	0	0	0	0	0	0	0	0	0	0
3.2. Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4. Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1. Direct	656,580,341	575,866,305	0	6,737,000	0	65,212,036	0	0	8,765,000	0
4.2. Reinsurance assumed	619,260,151	4,636,480	27,268,373	0	0	0	81,530,798	504,179,300	1,645,200	0
4.3. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4. Net	1,275,840,492	580,502,785	27,268,373	6,737,000	0	65,212,036	81,530,798	504,179,300	10,410,200	0

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	475,456,132	3,812,501,351	14,649,185	565,853,599	490,105,317	460,979,476
2. Medicare Supplement	21,383,784	134,961,519	11,071	27,257,302	21,394,855	22,984,853
3. Dental Only.....	5,228,882	76,471,635	55,610	6,681,390	5,284,492	6,377,000
4. Vision Only.....	0	0	0	0	0	0
5. Federal Employees Health Benefits Plan	58,279,676	766,543,169	486,674	64,725,362	58,766,350	66,372,607
6. Title XVIII - Medicare	25,129,320	438,601,341	1,794,599	79,736,199	26,923,919	53,691,117
7. Title XIX - Medicaid.....	337,859,121	3,819,755,011	37,148,965	467,030,336	375,008,086	391,505,802
8. Other health	14,100,331	54,972,589	0	10,410,200	14,100,331	7,530,900
9. Health subtotal (Lines 1 to 8).....	937,437,246	9,103,806,615	54,146,104	1,221,694,388	991,583,350	1,009,441,755
10. Healthcare receivables (a).....	2,576,527	164,852,848	0	0	2,576,527	0
11. Other non-health.....	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	0	0	0	0	0	0
13. Totals (Lines 9-10+11+12)	934,860,719	8,938,953,767	54,146,104	1,221,694,388	989,006,823	1,009,441,755

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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	390,922	406,833	411,247	411,674	412,168
2. 2016	3,902,264	4,337,626	4,348,166	4,349,799	4,349,753
3. 2017	XXX	4,292,478	4,711,499	4,718,812	4,721,123
4. 2018	XXX	XXX	4,161,281	4,529,855	4,542,253
5. 2019	XXX	XXX	XXX	3,877,841	4,335,562
6. 2020	XXX	XXX	XXX	XXX	3,647,763

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	401,455	407,343	411,584	411,674	412,168
2. 2016	4,371,757	4,344,657	4,351,297	4,350,016	4,349,753
3. 2017	XXX	4,733,865	4,727,127	4,722,422	4,721,177
4. 2018	XXX	XXX	4,536,418	4,557,888	4,544,702
5. 2019	XXX	XXX	XXX	4,306,960	4,372,023
6. 2020	XXX	XXX	XXX	XXX	4,189,302

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016.....	5,181,217	4,349,753	146,112	3.4	4,495,865	86.8	0	0	4,495,865	86.8
2. 2017.....	5,532,256	4,721,123	182,736	3.9	4,903,859	88.6	54	0	4,903,913	88.6
3. 2018.....	5,417,636	4,542,253	161,124	3.5	4,703,377	86.8	2,449	0	4,705,826	86.9
4. 2019.....	5,090,599	4,335,562	192,356	4.4	4,527,918	88.9	36,462	0	4,564,380	89.7
5. 2020.....	5,284,293	3,647,763	194,407	5.3	3,842,170	72.7	541,538	4,303	4,388,011	83.0

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A – Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	22,680	22,847	22,847	22,847	22,847
2. 2016	177,370	194,478	194,920	194,920	194,920
3. 2017	XXX	179,822	201,620	201,628	201,628
4. 2018	XXX	XXX	178,608	197,879	198,136
5. 2019	XXX	XXX	XXX	167,293	188,419
6. 2020	XXX	XXX	XXX	XXX	134,962

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	22,771	22,847	22,847	22,847	22,847
2. 2016	201,228	194,619	194,921	194,920	194,920
3. 2017	XXX	203,464	201,735	201,631	201,628
4. 2018	XXX	XXX	201,603	197,963	198,136
5. 2019	XXX	XXX	XXX	190,191	188,430
6. 2020	XXX	XXX	XXX	XXX	162,219

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016	250,546	194,920	3,340	1.7	198,260	79.1	.0	.0	198,260	79.1
2. 2017	247,635	201,628	11,254	5.6	212,882	86.0	.0	.0	212,882	86.0
3. 2018	240,040	198,136	18,574	9.4	216,710	90.3	.0	.0	216,710	90.3
4. 2019	236,760	188,419	23,245	12.3	211,664	89.4	11	.0	211,675	89.4
5. 2020	223,800	134,962	16,727	12.4	151,689	67.8	27,257	4,625	183,571	82.0

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A – Paid Health Claims - Dental Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	6,793	6,858	6,857	6,855	6,855
2. 2016	90,485	97,165	97,229	97,236	97,236
3. 2017	XXX	93,686	100,306	100,369	100,374
4. 2018	XXX	XXX	89,593	95,762	95,802
5. 2019	XXX	XXX	XXX	93,387	98,571
6. 2020	XXX	XXX	XXX	XXX	76,472

Section B – Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	6,923	6,862	6,857	6,855	6,855
2. 2016	97,873	97,228	97,231	97,236	97,236
3. 2017	XXX	100,838	100,368	100,374	100,374
4. 2018	XXX	XXX	96,172	95,824	95,804
5. 2019	XXX	XXX	XXX	99,696	98,624
6. 2020	XXX	XXX	XXX	XXX	83,153

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016.....	130,590	97,236	2,669	2.7	99,905	76.5	.0	.0	99,905	76.5
2. 2017.....	138,140	100,374	3,588	3.6	103,962	75.3	.0	.0	103,962	75.3
3. 2018.....	133,700	95,802	4,371	4.6	100,173	74.9	.2	.0	100,175	74.9
4. 2019.....	131,371	98,571	4,226	4.3	102,797	78.2	.53	.0	102,850	78.3
5. 2020.....	129,183	76,472	4,178	5.5	80,650	62.4	6,681	102	87,433	67.7

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior .....	.63,891	.64,964	.64,673	.64,655	.64,595
2. 2016	685,005	748,853	750,427	750,718	750,711
3. 2017	XXX	691,693	755,655	756,988	757,038
4. 2018	XXX	XXX	714,391	782,443	783,777
5. 2019	XXX	XXX	XXX	758,534	815,497
6. 2020	XXX	XXX	XXX	XXX	766,428

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior .....	.64,516	.64,964	.64,678	.64,655	.64,595
2. 2016	750,469	749,758	750,493	750,728	750,711
3. 2017	XXX	759,644	756,908	757,087	757,038
4. 2018	XXX	XXX	785,058	783,542	783,777
5. 2019	XXX	XXX	XXX	823,699	815,984
6. 2020	XXX	XXX	XXX	XXX	831,154

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016.....	810,305	750,711	10,274	1.4	760,985	93.9	.0	.0	760,985	93.9
2. 2017.....	809,441	757,038	9,780	1.3	766,818	94.7	.0	.0	766,818	94.7
3. 2018.....	839,967	783,777	13,329	1.7	797,106	94.9	.0	.0	797,106	94.9
4. 2019.....	875,328	815,497	13,832	1.7	829,329	94.7	487	.0	829,816	94.8
5. 2020.....	897,772	766,428	14,605	1.9	781,033	87.0	64,725	648	846,406	94.3

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	23,932	23,969	23,969	23,969	23,969
2. 2016	223,339	241,779	242,123	242,123	242,123
3. 2017	XXX	827,720	895,562	896,709	896,709
4. 2018	XXX	XXX	906,522	979,441	981,016
5. 2019	XXX	XXX	XXX	388,455	412,010
6. 2020	XXX	XXX	XXX	XXX	438,601

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	24,098	23,969	23,969	23,969	23,969
2. 2016	245,645	241,874	242,123	242,123	242,123
3. 2017	XXX	908,133	896,868	896,709	896,709
4. 2018	XXX	XXX	1,001,265	980,578	981,016
5. 2019	XXX	XXX	XXX	441,353	413,804
6. 2020	XXX	XXX	XXX	XXX	518,338

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016.....	267,160	242,123	0	0.0	242,123	90.6	0	0	242,123	90.6
2. 2017.....	985,488	896,709	0	0.0	896,709	91.0	0	0	896,709	91.0
3. 2018.....	1,097,259	981,016	0	0.0	981,016	89.4	0	0	981,016	89.4
4. 2019.....	511,043	412,010	0	0.0	412,010	80.6	1,795	0	413,805	81.0
5. 2020.....	565,599	438,601	0	0.0	438,601	77.5	79,736	0	518,337	91.6

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior .....	.0	.0	.0	.0	.0
2. 2016 .....	.0	322,653	322,653	322,653	322,653
3. 2017	XXX	3,267,887	3,631,112	3,631,112	3,631,112
4. 2018	XXX	XXX	3,784,734	4,068,221	4,068,221
5. 2019	XXX	XXX	XXX	3,860,119	4,197,978
6. 2020	XXX	XXX	XXX	XXX	3,819,755

Section B – Incurred Health Claims - Title XIX Medicaid

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior .....	.0	.0	.0	.0	.0
2. 2016 .....	.0	330,916	322,653	322,653	322,653
3. 2017	XXX	3,637,153	3,650,263	3,631,112	3,631,112
4. 2018	XXX	XXX	4,101,749	4,100,191	4,068,221
5. 2019	XXX	XXX	XXX	4,219,311	4,235,127
6. 2020	XXX	XXX	XXX	XXX	4,286,785

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016 .....	.0	322,653	.0	0.0	322,653	0.0	.0	.0	322,653	0.0
2. 2017	4,458,800	3,631,112	73,226	2.0	3,704,338	83.1	.0	.0	3,704,338	83.1
3. 2018	4,673,356	4,068,221	83,520	2.1	4,151,741	88.8	.0	.0	4,151,741	88.8
4. 2019	4,638,880	4,197,978	112,910	2.7	4,310,888	92.9	37,149	.0	4,348,037	93.7
5. 2020	5,094,325	3,819,755	111,280	2.9	3,931,035	77.2	467,030	0	4,398,065	86.3

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	6,285	6,285	6,285	6,285	6,285
2. 2016	30,210	37,680	37,680	37,680	37,680
3. 2017	XXX	41,740	50,119	50,119	50,119
4. 2018	XXX	XXX	38,372	48,628	48,628
5. 2019	XXX	XXX	XXX	43,215	57,315
6. 2020	XXX	XXX	XXX	XXX	54,973

Section B – Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	6,285	6,285	6,285	6,285	6,285
2. 2016	34,613	37,680	37,680	37,680	37,680
3. 2017	XXX	46,636	50,119	50,119	50,119
4. 2018	XXX	XXX	43,677	48,628	48,628
5. 2019	XXX	XXX	XXX	50,746	57,315
6. 2020	XXX	XXX	XXX	XXX	65,383

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016.....	52,911	37,680	1,600	4.2	39,280	74.2	0	0	39,280	74.2
2. 2017.....	51,022	50,119	725	1.4	50,844	99.7	0	0	50,844	99.7
3. 2018.....	54,789	48,628	812	1.7	49,440	90.2	0	0	49,440	90.2
4. 2019.....	63,570	57,315	824	1.4	58,139	91.5	0	0	58,139	91.5
5. 2020.....	80,731	54,973	473	0.9	55,446	68.7	10,410	0	65,856	81.6

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2016	2 2017	3 2018	4 2019	5 2020
1. Prior	514,503	531,756	535,878	536,285	536,719
2. 2016	5,108,673	5,980,234	5,993,198	5,995,129	5,995,076
3. 2017	XXX	9,395,026	10,345,873	10,355,737	10,358,103
4. 2018	XXX	XXX	9,873,501	10,702,229	10,717,833
5. 2019	XXX	XXX	XXX	9,188,844	10,105,352
6. 2020	XXX	XXX	XXX	XXX	8,938,954

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	526,048	532,270	536,220	536,285	536,719
2. 2016	5,701,585	5,996,732	5,996,398	5,995,356	5,995,076
3. 2017	XXX	10,389,733	10,383,388	10,359,454	10,358,157
4. 2018	XXX	XXX	10,765,942	10,764,614	10,720,284
5. 2019	XXX	XXX	XXX	10,131,956	10,181,307
6. 2020	XXX	XXX	XXX	XXX	10,136,334

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2016	6,692,729	5,995,076	163,995	2.7	6,159,071	92.0	.0	.0	6,159,071	92.0
2. 2017	12,222,782	10,358,103	281,309	2.7	10,639,412	87.0	54	.0	10,639,466	87.0
3. 2018	12,456,747	10,717,833	281,730	2.6	10,999,563	88.3	2,451	.0	11,002,014	88.3
4. 2019	11,547,551	10,105,352	347,393	3.4	10,452,745	90.5	75,957	.0	10,528,702	91.2
5. 2020	12,275,703	8,938,954	341,670	3.8	9,280,624	75.6	1,197,377	9,678	10,487,679	85.4

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ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves.....	15,664,246	15,262,734	.0	401,512	.0	.0	.0	.0	.0
2. Additional policy reserves (a).....	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. Reserve for future contingent benefits.....	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. Reserve for rate credits or experience rating refunds (including \$ for investment income).....	420,310,507	62,388,266	.0	1,971,063	.0	120,600,575	235,350,603	.0	.0
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	435,974,753	77,651,000	.0	2,372,575	.0	120,600,575	235,350,603	.0	.0
7. Reinsurance ceded	(12,822,566)	(80,556)	(9,359,966)	.0	.0	.0	.0	(3,381,058)	(986)
8. Totals (Net) (Page 3, Line 4)	448,797,319	77,731,556	9,359,966	2,372,575	0	120,600,575	235,350,603	3,381,058	986
9. Present value of amounts not yet due on claims .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
10. Reserve for future contingent benefits .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0502. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0503. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1102. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1103. ....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ 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)	5,225	800	33,002,443	0	33,008,468
2. Salaries, wages and other benefits	227,904,350	32,490,301	448,651,382	0	709,046,033
3. Commissions (less \$ceded plus \$assumed)	0	0	190,903,882	0	190,903,882
4. Legal fees and expenses	6,750	20,709	12,107,245	0	12,134,704
5. Certifications and accreditation fees	0	0	0	0	0
6. Auditing, actuarial and other consulting services	24,231,188	733,800	182,660,423	0	207,625,411
7. Traveling expenses	1,676,736	101,868	3,869,515	0	5,648,119
8. Marketing and advertising	46,829	20	27,933,729	0	27,980,578
9. Postage, express and telephone	865,349	98,944	23,947,650	0	24,911,943
10. Printing and office supplies	147,979	110,060	6,995,508	0	7,253,547
11. Occupancy, depreciation and amortization	0	0	109,702,442	0	109,702,442
12. Equipment	864	0	2,971,508	0	2,972,372
13. Cost or depreciation of EDP equipment and software	900,112	44,719	105,819,289	0	106,764,120
14. Outsourced services including EDP, claims, and other services	54,709,367	87,558,025	492,906,795	0	635,174,187
15. Boards, bureaus and association fees	1,463,748	135,084	7,651,380	0	9,250,212
16. Insurance, except on real estate	0	0	5,374,284	0	5,374,284
17. Collection and bank service charges	0	0	0	0	0
18. Group service and administration fees	0	0	0	0	0
19. Reimbursements by uninsured plans	(51,369,146)	(21,687,187)	(278,300,147)	0	(351,356,480)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	0	0	0	0	0
22. Real estate taxes	0	0	6,098,833	0	6,098,833
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	11,428	0	11,428
23.2 State premium taxes	0	0	67,417,593	0	67,417,593
23.3 Regulatory authority licenses and fees	0	0	0	0	0
23.4 Payroll taxes	12,766,282	1,873,152	22,662,460	0	37,301,894
23.5 Other (excluding federal income and real estate taxes)	0	0	148,113,060	0	148,113,060
24. Investment expenses not included elsewhere	0	0	0	(306,038)	(306,038)
25. Aggregate write-ins for expenses	0	350,000	5,433,527	0	5,783,527
26. Total expenses incurred (Lines 1 to 25)	273,355,633	101,830,295	1,625,934,229	(306,038)	(a) 2,000,814,119
27. Less expenses unpaid December 31, current year		9,677,807	1,109,678,093		1,119,355,900
28. Add expenses unpaid December 31, prior year	0	8,316,897	1,064,301,124	0	1,072,618,021
29. Amounts receivable relating to uninsured plans, prior year	0	0	426,964,161	0	426,964,161
30. Amounts receivable relating to uninsured plans, current year	0	0	435,136,483	0	435,136,483
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	273,355,633	100,469,385	1,588,729,582	(306,038)	1,962,248,562
DETAILS OF WRITE-INS					
2501. Prompt Pay interest	0	0	5,433,527	0	5,433,527
2502. Provision for Claims Processing	0	350,000	0	0	350,000
2503.	0	0	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Line 2501 through 2503 plus 2598) (Line 25 above)	0	350,000	5,433,527	0	5,783,527

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 8,376,021	8,404,169
1.1 Bonds exempt from U.S. tax	(a) 0	0
1.2 Other bonds (unaffiliated)	(a) 71,253,149	70,687,029
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 210,986	210,986
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	6,404,666	6,407,401
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) 489,968	535,847
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	0	(239,649)
10. Total gross investment income	86,734,791	86,005,783
11. Investment expenses		(g) 8,581,351
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) (8,887,389)
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)		(306,038)
17. Net investment income (Line 10 minus Line 16)		86,311,821
DETAILS OF WRITE-INS		
0901. Interest on behalf of customer deposits		72,873
0902. Interest on behalf of FEP		(385)
0903. Interest on behalf of subs.		(311,375)
0998. Summary of remaining write-ins for Line 9 from overflow page	0	(762)
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	(239,649)
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes \$ 4,066,447 accrual of discount less \$ 8,621,176 amortization of premium and less \$ 4,311,686 paid for accrued interest on purchases.
 (b) Includes \$ 576 accrual of discount less \$ 999 amortization of premium and less \$ 165 paid for accrued dividends on purchases.
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
 (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
 (e) Includes \$ 64,113 accrual of discount less \$ 105,392 amortization of premium and less \$ 212,417 paid for accrued interest on purchases.
 (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
 (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
 (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	66,595	0	66,595	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	7,296,370	(21,589,044)	(14,292,673)	2,891,589	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	(62,143)	12,079	(50,064)	17,638	159,203
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	3,319,447	(4,228,867)	(909,420)	36,145,732	4,154,909
2.21 Common stocks of affiliates	0	0	0	66,690,260	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	(5,827)	0	(5,827)	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	69,975	0
10. Total capital gains (losses)	10,614,442	(25,805,831)	(15,191,389)	105,815,194	4,314,112
DETAILS OF WRITE-INS					
0901.	0	0	0	0	0
0902. Miscellaneous Adjustment	0	0	0	69,975	0
0903.	0	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	69,975	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.0	.0	.0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	.0	.0	.0
2.2 Common stocks	23,346,972	25,169,568	1,822,596
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11)	23,346,972	25,169,568	1,822,596
13. Title plants (for Title insurers only).....	.0	.0	.0
14. Investment income due and accrued .....	.0	.0	.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	4,247,888	4,357,008	109,120
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.0	.0	.0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	.0	.0	.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	.0	.0	.0
16.2 Funds held by or deposited with reinsured companies .....	.0	.0	.0
16.3 Other amounts receivable under reinsurance contracts .....	.0	.0	.0
17. Amounts receivable relating to uninsured plans	15,277,425	27,569,367	12,291,942
18.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0
18.2 Net deferred tax asset.....	.0	.0	.0
19. Guaranty funds receivable or on deposit .....	.0	.0	.0
20. Electronic data processing equipment and software.....	.0	.0	.0
21. Furniture and equipment, including health care delivery assets.....	478,444,962	463,424,272	(15,020,690)
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	.0	.0	.0
23. Receivables from parent, subsidiaries and affiliates .....	.0	.0	.0
24. Health care and other amounts receivable.....	115,246	767,982	652,736
25. Aggregate write-ins for other-than-invested assets	387,723,467	396,024,513	8,301,046
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	909,155,960	917,312,710	8,156,750
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	909,155,960	917,312,710	8,156,750
DETAILS OF WRITE-INS			
1101. ....		.0	.0
1102. ....		.0	.0
1103. ....		.0	.0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Expenses.....	386,255,575	393,340,399	7,084,824
2502. Non-Bankable checks.....	1,467,892	2,799,724	1,331,832
2503. Miscellaneous Adjustment to PY NonAdmit.....	.0	(115,610)	(115,610)
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	387,723,467	396,024,513	8,301,046

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	.0	.0	.0	.0	.0	.0
2. Provider Service Organizations.....	.0	.0	.0	.0	.0	.0
3. Preferred Provider Organizations.....	627,823	645,776	639,262	626,721	623,076	7,628,858
4. Point of Service.....	206,569	198,276	195,770	174,690	172,770	2,237,763
5. Indemnity Only.....	3,062	2,930	2,907	2,833	2,828	34,576
6. Aggregate write-ins for other lines of business.....	401,521	411,760	411,129	402,589	398,081	4,892,451
7. Total	1,238,975	1,258,742	1,249,068	1,206,833	1,196,755	14,793,648
DETAILS OF WRITE-INS						
0601. Dental.....	401,521	411,760	411,129	402,589	398,081	4,892,451
0602. ....	.0	.0	.0	.0	.0	.0
0603. ....	.0	.0	.0	.0	.0	.0
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	401,521	411,760	411,129	402,589	398,081	4,892,451

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

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

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

A.

	SSSAP #	F/S Page	F/S Line #	2020	2019
<u>NET INCOME</u>					
(1) Company state basis (Page 4, Line 32, Columns 2 & 3)	NJ	4	32	\$ 353,466	\$ 1,223
(2) State Prescribed Practices that increase/(decrease) NAIC SAP				\$ -	\$ -
(3) State Permitted Practices that increase/(decrease) NAIC SAP				\$ -	\$ -
(4) NAIC SAP (1-2-3=4)	NJ	4	32	\$ 353,466	\$ 1,223
<u>SURPLUS</u>					
(5) Company state basis (Page 3, Line 33, Columns 3 & 4)	NJ	5	49	\$ 3,069,235	\$ 2,732,680
(6) State Prescribed Practices that increase/decrease NAIC SAP				\$ -	\$ -
(7) State Permitted Practices that increase/(decrease) NAIC SAP				\$ -	\$ -
(8) NAIC SAP (5-6-7=8)	NJ	5	49	\$ 3,069,235	\$ 2,732,680

B. Use of Estimates

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

C. Accounting Policy

The Company uses the following accounting policies:

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

D. Going Concern

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

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

No change

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable

4. DISCONTINUED OPERATIONS

Not applicable

5. INVESTMENTS

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

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

NOTES TO FINANCIAL STATEMENTS
(In thousands of dollars, unless otherwise noted)

2.	(1)	(2)		(3)
	Amortized Cost Basis Before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value 1 - (2a + 2b)
		(2a) Interest	(2b) Non-interest	
OTTI Recognized 1st Quarter				
a. Intent to sell	-	-	-	-
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
c. Total 1st Quarter	-	-	-	-
OTTI Recognized 2nd Quarter				
d. Intent to sell	1,515	712	-	803
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
f. Total 2nd Quarter	1,515	712	-	803
OTTI Recognized 3rd Quarter				
g. Intent to sell	686	114	-	572
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
i. Total 3rd Quarter	686	114	-	572
OTTI Recognized 4th Quarter				
j. Intent to sell	1,580	387	-	1,192
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
l. Total 4th Quarter	1,580	387	-	1,192
m. Annual Aggregate Total	-	1,213	-	-

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

	1	2	3	4	5	6	7
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	Increase/ Decrease (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
Restricted Assets (Including Pledged)							
a. Subject to contractual obligation for which liability is not shown	-	-	-	-	-	-	-
b. Collateral held under security lending agreements	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-
i. FHLB capital stock	614	540	74	-	614	-	-
j. On deposit with states	-	-	-	-	-	-	-
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreements)	88,412	100,249	(11,837)	-	88,412	1.34	1.56
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-
n. Other restricted assets	-	-	-	-	-	-	-
o. Total Restricted Assets	89,026	100,789	(11,763)	-	89,026	1.35	1.57

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

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

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

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

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

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

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted) *	4 % of BACV to Total Admitted Assets **
-------------------	---------------------------------------	--------------	--	---

Collateral Received and Reflected as Assets Within the

(4) Reporting Entity's Financial Statements

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

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

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

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

- M. Working Capital Finance Investments – None
 N. Offsetting and Netting of Assets and Liabilities – None
 O. 5* Securities

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

- P. Short Sales – None
 Q. Prepayment Short Sale Transactions

	General Account	Separate Account
(1) Number of CUSIPs	126	
(2) Aggregate Amount of Investment Income	1,969	

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

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

7. INVESTMENT INCOME

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

8. DERIVATIVE INSTRUMENTS

Not applicable

9. INCOME TAXES

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

Description	December 31, 2020			December 31, 2019			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 276,458	\$ 6,298	\$ 282,756	\$ 393,467	\$ 3,357	\$ 396,824	\$ (117,009)	\$ 2,941	\$ (114,068)
(b) Statutory valuation allowance adjustments	205,080	6,298	211,378	210,069	3,357	213,426	(4,989)	2,941	(2,048)
(c) Adjusted gross deferred tax assets (1a - 1b)	71,378	-	71,378	183,398	-	183,398	(112,020)	-	(112,020)
(d) Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
(e) Sub-total net admitted deferred tax asset (1c - 1d)	71,378	-	71,378	183,398	-	183,398	(112,020)	-	(112,020)
(f) Deferred tax liabilities	55,705	15,673	71,378	44,619	7,187	51,806	11,086	8,486	19,572
(g) Net admitted deferred tax asset (Net deferred tax liability) (1e - 1f)	\$ 15,673	\$ (15,673)	\$ -	\$ 138,779	\$ (7,187)	\$ 131,592	\$ (123,106)	\$ (8,486)	\$ (131,592)

2

Description	December 31, 2020			December 31, 2019			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized Excluding The Amount Of Deferred Tax Assets From 2(a) Above After Application of the Threshold Limitation (The Lessor of 2(b)1 and 2(b)2 Below)	-	-	-	259,374	-	259,374	\$ (259,374)	-	(259,374)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	-	-	-	131,591	-	131,591	\$ (131,591)	\$ -	\$ (131,591)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	464,495		464,495	390,163		390,163	74,332		\$ 74,332
(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	55,705	15,673	71,378	44,619	7,187	51,806	11,086	8,486	19,572
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 (2(a) + 2(b) + 2(c))	\$ 55,705	\$ 15,673	\$ 71,378	\$ 303,993	\$ 7,187	\$ 311,180	\$ (248,288)	\$ 8,486	\$ (239,802)

(3)

- (a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount. 748% 628%
 (b) Amount of Adjusted Capital And Surplus Used to Determine Recovery Period And Threshold Limitation In 2(b)2 Above. 3,096,631 2,601,089

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

Description	December 31, 2020			December 31, 2019		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Adjusted gross DTA's - Percentage	0%	0%	0%	0%	0%	0%
(b) Admitted adjusted gross DTA's - Percentage	0%	0%	0%	0%	0%	0%
(c) Do TPS include a reinsurance strategy?			No			No

NOTES TO FINANCIAL STATEMENTS
(In thousands of dollars, unless otherwise noted)

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

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

C. Significant components of income taxes incurred.

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

Description	2020	2019	Change
(a) Current federal income tax expense / (benefit)	\$ (3,927)	\$ (145,960)	\$ 142,033
(b) Foreign income tax expense / (benefit)	-	-	-
(c) Subtotal	(3,927)	(145,960)	142,033
(d) Tax expense / benefit on realized capital gains / (losses)	-	-	\$ -
(e) Accrual (reversal) of tax contingencies	-	-	-
(f) Other, including prior year underaccrual (overaccrual)	(144,048)	537	\$ (144,585)
(g) Federal and foreign income taxes incurred	<u>\$ (147,975)</u>	<u>\$ (145,423)</u>	<u>\$ (2,552)</u>

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

(2) DTAs Resulting From Book/Tax Differences In		December 31, 2020	December 31, 2019	Change
(a) Ordinary				
(1) Discounted claims reserves	\$ 19,208	\$ 13,804	\$ 5,404	
(2) Non-admitted assets	190,947	192,660	(1,713)	
(3) AMT credit carryforward	-	131,592	(131,592)	
(4) Deferred compensation	50,536	41,288	9,248	
(5) Other	15,767	14,124	1,643	
Subtotal - Gross ordinary DTAs	<u>276,458</u>	<u>393,468</u>	<u>(117,010)</u>	
(b) Statutory valuation allowance adjustment - ordinary	(205,080)	(210,069)	4,989	
(c) Nonadmitted ordinary DTAs	-	-	-	
(d) Admitted ordinary DTAs	<u>\$ 71,378</u>	<u>\$ 183,399</u>	<u>\$ (112,021)</u>	
(e) Capital				
(1) Other than temporary impairments	\$ 4,213	\$ 1,210	\$ 3,003	
(2) Unrealized capital losses	2,085	2,147	(62)	
Gross capital DTAs	6,298	3,357	2,941	
(f) Statutory valuation allowance adjustment - capital	(6,298)	(3,357)	(2,941)	
(g) Nonadmitted capital DTAs	-	-	-	
(h) Admitted capital DTAs	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
(i) Admitted DTAs	<u>\$ 71,378</u>	<u>\$ 183,399</u>	<u>\$ (112,021)</u>	
(3) DTLs Resulting From Book/Tax Differences In				
(a) Ordinary				
(1) Accrued market discount	\$ (969)	\$ (788)	\$ (181)	
(2) Fixed Assets	(38,460)	(24,280)	(14,180)	
(3) Guaranty fund assessment recoverable	(5,297)	(6,429)	1,132	
(4) Prepaid pension	(10,979)	(10,638)	(341)	
(5) Other	(4)	(2,489)	2,485	
Ordinary DTLs	<u>(55,709)</u>	<u>(44,624)</u>	<u>(11,085)</u>	
(b) Capital				
(1) Unrealized capital gains	\$ (15,669)	\$ (7,184)	\$ (8,485)	
Capital DTLs	<u>(15,669)</u>	<u>(7,184)</u>	<u>(8,485)</u>	
(c) DTLs	<u>(71,378)</u>	<u>(51,808)</u>	<u>(19,570)</u>	
(4) Net deferred tax assets/liabilities	<u>\$ -</u>	<u>\$ 131,591</u>	<u>\$ (131,591)</u>	

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

	December 31, 2020	December 31, 2019	Bal. Sheet Change
Total deferred tax assets	\$ 282,756	\$ 396,824	\$ (114,068)
Total deferred tax liabilities	(71,378)	(51,808)	(19,570)
Net deferred tax assets/liabilities	211,378	345,016	(133,638)
Statutory valuation allowance adjustment	(211,378)	(213,426)	2,048
Net deferred tax assets/liabilities after SVA	\$ -	\$ 131,590	\$ (131,590)
Tax effect of unrealized gains/(losses)	13,584	5,037	8,547
Statutory valuation allowance adjustment allocated to unrealized	2,085	2,147	(62)
Other intraperiod allocation of deferred tax movement	-	-	-
Change in net deferred income tax [(charge)/benefit]			\$ (123,105)

NOTES TO FINANCIAL STATEMENTS
(In thousands of dollars, unless otherwise noted)

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

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before taxes including realized capital gains losses.
The significant items causing this difference are as follows:

Description	Amount	Tax Effect	Effective Tax
			Rate
Income Before Taxes	\$ 205,490	\$ 43,153	21.00%
Change in deferred taxes on nonadmitted assets	8,157	1,713	0.83%
ACA Insurer fee	116,009	24,362	11.86%
162m Compensation adjustment	31,363	6,586	3.21%
Change in Statutory valuation adjustment	(9,459)	(1,986)	-0.97%
Income from disregarded entities	8,929	1,875	0.91%
Federal tax credits	(18,702)	(3,927)	-1.91%
Transfer pricing adjustment	31,189	6,550	3.19%
Section 833b deduction	(483,853)	(101,610)	-49.45%
Other nondeductible expenses	1,599	336	0.16%
Dividends Received Deduction	(5,580)	(1,172)	-0.57%
Return to provision adjustments	(3,568)	(750)	-0.36%
Total	\$ (118,426)	\$ (24,870)	-12.10%
Federal income taxed incurred [expense/(benefit)]		(3,927)	-1.91%
Tax on Realized Capital Gains (Losses)		-	0.00%
Prior year underaccrual (overaccrual)		(144,048)	-70.10%
Change in net deferred income tax [charge/(benefit)]		123,105	59.91%
Total statutory income taxes		\$ (24,870)	-12.10%

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

At December 31, 2020, the Company did not have any net operating loss carryforwards.
At December 31, 2020, the Company did not have any capital loss carryforwards.
At December 31, 2020, the Company did not have any AMT credit carryforwards.
At December 31, 2020, the Company did not have any foreign tax credit carryforwards.

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

Available from tax year	Ordinary	Capital	Total
2018	\$ -	\$ -	\$ -
2019	-	-	-
2020	-	-	-
Total	\$ -	\$ -	\$ -

At December 31, 2020, the Company had no tax amounts deposited in accordance with Section 6603 of the Internal Revenue Code.

F. Income tax loss contingencies

At December 31, 2020, the Company did not have any income tax loss contingencies as described under SAP 101, paragraph 27.

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

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

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

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

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

Horizon Healthcare of New Jersey (HHNJ): a health maintenance organization (HMO) operating in New Jersey;
Horizon Healthcare Dental, Inc. (HHD): a New Jersey dental plan organization offering dental products;
Horizon Casualty Services, Inc. (HCS): a managed care workers' compensation company which offers integrated care and administrative services to insurers, employers and third-party administrators; and
Horizon Insurance Company, (HIC): a health insurer operating in New Jersey.

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

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

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

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

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

The Company owns 50% of **New Jersey Collaborative Care, LLC (NJCC)** which in turn owns 100% of Healthier Insurance Company of NJ a/k/a Braven Health. In 2019, the Company and Hackensack Meridian Health, Inc. (HMH) (together, the Founding Members) entered into an operating agreement, as amended (the Operating Agreement) through which New Jersey Collaborative Care, LLC (NJCC) was formed. The Founding Members each hold the only voting interests in NJCC. No potential future partners in NJCC may own any units with voting interests. The purpose of NJCC is limited to developing, licensing, owning, financing, and operating either directly or through the formation of a joint venture insurance company to offer Medicare Advantage (MA) products in the following counties of New Jersey; Bergen, Essex, Hudson, Middlesex, Monmouth, Ocean, Passaic and Union. In order to provide MA products in the counties noted above Healthier New Jersey Insurance Company d/b/a/ Braven Health (Braven) was created by the Founding Members.

HHSI and HIC entered into a 90% quota share reinsurance agreement effective October 1, 2015 whereby HHSI reinsured 90% of all Medicare Advantage and PDP and Medicare Supplement (Medigap) business, all on a prospective basis, (collectively, the "Senior" business). The amount of premiums, claims, general and administrative costs, assumed were \$500,928, \$418,962, and \$74,427 at December 31, 2020 and \$516,264, \$438,360, and \$74,853 at December 31, 2019, respectively. Receivables assumed were \$21,468 as of December 31, 2020 as compared to 26,897 as of December 31, 2019. Liabilities and payables assumed were \$99,441 as of December 31, 2020 as compared to \$87,122 as of December 31, 2019.

Effective January 1, 2017, HHSI and HHNJ entered into a 90% quota share reinsurance agreement whereby HHSI reinsured 90% of all Medicare DSNP, Medicaid, as well as 90% of Commercial Health insured business, all on a prospective basis. The amount of premiums, claims, general and administrative costs, assumed were \$5,432,326, \$4,552,422, and \$691,622 at December 31, 2020 and \$4,916,080, \$4,413,737, and \$581,272 at December 31, 2019, respectively. Receivables assumed were \$105,649 as of December 31, 2020 as compared to \$92,678 as of December 31, 2019. Liabilities and payables assumed were \$1,030,382 as of December 31, 2020 as compared to \$588,834 as of December 31, 2019.

- B. The Company has entered into several service agreements whereby the Company provides certain marketing, data processing, clerical, financial and administrative support functions, at cost. The Company was a party to the following transactions:
- a. The Company sales representatives market HHNJ's and HIC's products. In 2020 and 2019, the Company charged HHNJ \$3,911 and \$3,355, respectively, for these sales support services. In 2020, the Company charged HIC \$1,419 for these services and \$1,536 in 2019.
 - b. The Company purchases dental coverage from HHD for certain of its employees. HHD recorded revenues of \$707 in 2020 and \$700 in 2019 for dental coverage provided to the Company's employees.
 - c. The Company provides HHNJ and HIC with certain administrative services, including executive, financial, legal and human resource support. The Company also provides the computer systems and programming support needed by HHNJ for claims processing and customer service. These services are allocated according to a defined formula. Additionally, the Company provides various direct support services related to hospital contract negotiations, enrollment and billing services, front-end clerical functions, mail services, provider network services and medical management functions. HHNJ paid \$354,534 in 2020 and \$310,906 in 2019 to the Company for these services. In 2020 and 2019, the Company charged HIC \$46,988 and \$49,171 for these services.
 - d. The Company entered into a Specialty Dental Services Arrangement with HHD, under which the risk associated with fee-for-service claims incurred by HHD was transferred to the Company. HHD paid \$2,482 and \$2,548 in 2020 and 2019, respectively, in capitation payments to the Company for these claims. The Company pays the related claims and carries the associated risk.
 - e. The Company provides the computer systems and programming support needed by the affiliates for claims processing and customer services. The Company also provides the administrative services, including executive oversight, financial, legal, and human resources support. These expenses are allocated according to a defined formula. Amounts incurred by the affiliates are as follows:
 - HPHHC incurred \$15 for these services in 2020 and 2019.
 - HHD incurred \$843 and \$814 for these services in 2020 and 2019, respectively.
 - EPH incurred \$15 for these services in 2020 and 2019.
 - 3PPPHUR incurred \$15 for these services in 2020 and 2019.
 - HCS incurred \$20,106 and \$17,935 for these services in 2020 and 2019, respectively.
- C. The Company reported \$294,629 in net receivables from subsidiaries and affiliates at December 31, 2020 and \$141,567 at December 31, 2019.
- D. The Company entered into a rental agreement with EPH and 3PPPH. Under the terms of the agreement the Company paid \$3,009 of rent in 2020 and \$2,950 in 2019 to EPH. Under the terms of the agreement the Company paid \$13,465 and \$13,465 of rent in 2020 and 2019 to 3PPPH.
- E. In 2017, 3PPPHUR entered into a ten year \$100.0 million promissory note payable (Promissory Note) with HHSI to provide for repayment of 3PPPHUR's then existing mortgage which matured in October 2017. The Promissory Note carries an annual interest rate of 4.0% and matures on September 30, 2027. The balance of the Promissory Note was \$71,766 million and \$80,846 million as of December 31, 2020 and 2019, respectively.
- F. The Company made capital contributions to its affiliated subsidiaries MISI and NJCC. In 2020 and 2019, the Company contributed to MISI \$7,130 and \$15,275, respectively. In 2020, the Company contributed to NJCC \$10,800 and \$3,305 in 2019.
- G. In 2020, the Company received a \$4,000 dividend payment from affiliated subsidiary EPH. No dividends received in 2019.
- M. All SCA Investments

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(In thousands of dollars, unless otherwise noted)

(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Enterprise Property Holdings, LLC	100%	23,347	-	23,347
3 Penn Plza Prpty Hldgs Urban Renewal	100%	50,736	50,736	-
Horizon Healthcare Plan Holding Co	100%	1,270,370	1,270,370	-
Multistate Professional Services	100%	(2)	(2)	-
Multistate Investment Services	100%	107,039	107,039	-
NJ Collaborative Care	50%	1,667	1,667	-
Total SSAP No. 97 8a Entities		1,453,157	1,429,810	23,347
b. SSAP No. 97 8b(ii) Entities				
N/A				
Total SSAP No. 97 8b(ii) Entities		-	-	-
c. SSAP No. 97 8b(iii) Entities				
N/A				
Total SSAP No. 97 8b(iii) Entities		-	-	-
d. SSAP No. 97 8b(iv) Entities				
N/A				
Total SSAP No. 97 8b(iv) Entities		-	-	-
e. Total SSAP No. 97 8b entities (except 8bi entities) (b+c+d)				
f. Total SSAP No. 97 8b entities (except 8bi entities) (b+c+d)				
f. Aggregate Total (a+e)		1,453,157	1,429,810	23,347

(2) NAIC Filing Response Information – N/A

N. Investments in Insurance SCAs – N/A

11. DEBT

- (1) The Company maintains revolving credit and advance facilities totaling \$900.0 million at December 31, 2020 and \$800.0 million as of 2019 provided by a consortium of four financial institutions and the Federal Home Loan Bank of New York (FHLBNY) to support our short-term funding needs. The current borrowing terms bear interest, as defined in the agreements.

Federal Home Loan Bank Facility

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

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

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

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

(2) FHLBNY Capital Stock

a. Aggregate Total

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(In thousands of dollars, unless otherwise noted)

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

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

	<u>Total</u>
2. Prior Year-end	
(a) Membership Stock - Class A	-
(b) Membership Stock - Class B	540
(c) Activity Stock	3,609
(d) Excess Stock	-
(e) Aggregate Total (a+b+c+d)	<u>4,149</u>
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	<u>\$ 500,000</u>

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

Membership Stock	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
Class A	-	-	-	-	-	-
Class B	614	614	-	-	-	-

(3) Collateral Pledged to FHLBNY.

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
Current Year Total Collateral Pledged	\$ 405,849	\$ 378,738	\$ 70,730
Prior Year-end Total Collateral Pledged	\$ 464,614	\$ 453,114	\$ 80,199

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
Current Year Total Maximum Collateral Pledged	\$ 405,849	\$ 378,738	\$ 377,852
Prior Year-end Total Maximum Collateral Pledged	\$ 464,614	\$ 453,114	\$ 82,533

(4) Borrowing from the FHLBNY

a. Amount as of Reporting Date

	Total	Funding Agreements Reserves Established
1. Current Year		
(a) Debt	\$ 70,730	\$ 405,849
(b) Funding Agreements	-	-
(c) Other	-	-
(d) Aggregate Total (a+b+c)	<u>\$ 70,730</u>	<u>\$ 405,849</u>
2. Prior Year-end		
(a) Debt	\$ 80,199	\$ 464,614
(b) Funding Agreements	-	-
(c) Other	-	-
(d) Aggregate Total (a+b+c)	<u>\$ 80,199</u>	<u>\$ 464,614</u>

b. Maximum Amount Pledged During Reporting Period (Current Year)

	Total
1. Debt	\$ 70,730
2. Funding Agreements	-
3. Other	-
4. Aggregate Total (1+2+3)	<u>\$ 70,730</u>

c. Horizon BCBSNJ does not have prepayment obligations under any of its arrangements with the FHLBNY.

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(In thousands of dollars, unless otherwise noted)

Line of Credit

In August 2020, the Company entered into the Fourth Amendment and Modification Agreement (Credit and Modification Agreement) to the Credit Facility. The Credit and Modification Agreement retains the total borrowing capacity available to the Company at \$400.0 million modified the maturity date of the Credit and Modification Agreement to August 31, 2021.

The line of credit contains certain financial covenants and restrictions including a minimum statutory surplus requirement. At December 31, 2020, the Company was in compliance with all covenants and other requirements set forth in these agreements.

December 31, 2020	Borrowing Capacity	Amount Outstanding December 31	Average Interest Rate
Amended Credit Facility	\$ 400.0	\$ -	1.65%
Working Capital Facility	\$ 430.0	\$ -	1.35%

December 31, 2019	Borrowing Capacity	Amount Outstanding December 31	Average Interest Rate
Amended Credit Facility	\$ 400.0	\$ -	2.98%
Working Capital Facility	\$ 420.0	\$ -	2.49%

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

A. Retirement Plans

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

Additionally, the Company has Management Employees' Savings and Investment Plan and the Union Employees' Savings and Investment Plan (the Plans) for all participants actively employed to receive the Horizon Retirement Contribution (HRC) in place of any pension plan contributions. For the year ended December 31, 2020 and 2019, the Company contributed \$50,487 and \$35,780, respectively, to participants' defined contribution plans under the HRC.

Postretirement Benefits Other Than Pensions

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

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

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

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

Deferred Compensation Plan

There are no stock option plans.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2020 and 2019:

	Pension		Other Postretirement	
	2020	2019	2020	2019
Balance sheet components of net amount recognized				
Other assets	\$ 44,765	\$ 50,657	\$ -	\$ -
Current benefit liability (accounts payable and accrued expenses)	(503)	(322)	(8,297)	(8,426)
Noncurrent benefit liability (obligations for employee benefits)	(1,651)	(1,682)	(99,278)	(95,823)
Net amount recognized	\$ 42,611	\$ 48,653	\$ (107,575)	\$ (104,249)
	Pension		Other Postretirement	
	2020	2019	2020	2019
Amounts recognized in accumulated other comprehensive income				
Net actuarial gain	\$ -	\$ -	\$ (424)	\$ (6,516)
Prior service cost	2,570	3,125	(1,045)	(2,089)
Net amount recognized (pre-tax)	\$ 2,570	\$ 3,125	\$ (1,469)	\$ (8,605)

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	Pension	
	2020	2019
Interest cost	\$ 9,277	\$ 11,307
Actual return on plan assets	(11,844)	(13,748)
Amortization of prior service cost	555	555
Recognized net actuarial loss	8,678	485
Net periodic benefit/(expense) income	\$ 6,666	\$ (1,401)

	Other Postretirement	
	2020	2019
Service cost	\$ 942	\$ 943
Interest cost	3,143	3,970
Amortization of prior service credit	(1,641)	(2,083)
Recognized net actuarial gain	2,905	2,905
Net periodic benefit cost	\$ 5,349	\$ 5,735

	Pension	
	2020	2019
Discount rate	2.19%/2.03%	3.18%/3.12%
Rate of compensation increases	N/A	N/A

	Other Postretirement	
	2020	2019
Discount rate	2.10%	3.14%
Rate of compensation increases	3.00% + merit	3.00% + merit

(9) Not applicable.

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

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

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

i. The asset allocation for the Company's pension plans as of December 31, 2020 and 2019, and the target allocation for 2020, by asset category, are as follows:

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

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

Expected Employer Contributions	Pension	Other Postretirement	
	\$	\$	\$
2021	\$ 503	\$ 8,298	
Expected Benefit Payments	Pension	Before Subsidy	Expected Subsidy
	\$	\$	\$
2021	\$ 54,666	\$ 8,884	\$ 587
2022	21,288	9,299	612
2023	21,816	9,541	643
2024	22,234	9,575	678
2025	22,873	9,491	705
2026-2030	95,038	42,793	3,853
	\$ 237,915	\$ 89,583	\$ 7,078

(14) Not Applicable

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(15) Not Applicable

(16) Not Applicable

(17) Not Applicable

(18) Not Applicable

(19) Not Applicable

(20) The following table represents the Plans' fair value hierarchy for its financial assets (cash equivalents and investments) measured at fair value on a recurring basis as of December 31, 2020 and 2019:

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

2019	Level 1	Level 2	Level 3	Total
Money Market	\$ 46,126	\$ -	\$ -	\$ 46,126
Mutual Funds	-	18,933	-	18,933
Fixed Income	-	295,550	-	295,550
Accrued interest, dividends and unsettled trades	2,335	-	-	2,335
\$ 48,461	\$ 314,483	\$ -	\$ -	\$ 362,944

E. Defined Contribution Plan

The Company sponsors the Horizon Blue Cross Blue Shield of New Jersey Management and Union Employees' Savings and Investment Plans, which are contributory 401(k) savings plans. Employees with one month of service are eligible for membership. The Company's contribution to the savings and investment plans amounted to \$11,028 in 2020 and \$9,761 in 2019.

F. Multiemployer Plans: Not Applicable

G. Consolidated/Holding Company Plans: Not Applicable

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

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

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

At December 31, the reserves were allocated as follows:

	2020	2019
Individual business	\$ 1,394,479,665	\$ 706,698
Group business	1,674,755,755	1,827,571
2020 Insurer fee	-	198,411
	\$ 3,069,235,420	\$ 2,732,680

7. There were no unpaid advances to surplus.
8. There was no stock held by the Company for special purposes.
9. There were no special surplus funds.
10. The portion of unassigned surplus represented or reduced by unrealized gains and losses in 2020 was \$337,709 on external investments.
11. The Company has no surplus notes.
12. There has been no quasi-reorganization.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent commitments – None

B. Assessments - In May 2017 the Company paid a Guaranty Fund Assessment of \$57,030. In accordance with New Jersey regulations the Company also recorded a discounted 50% receivable of \$28,515, for premium tax credits. The premium tax

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

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

a. Discount Rate Applied 4.05%

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

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

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

C. Gain contingencies – None

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

E. Joint and several liabilities - None

F. All other contingencies – None

G. Litigation

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

In re: Blue Cross Blue Shield Antitrust Litigation

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

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

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

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

The Provider Plaintiffs and Defendants settlement attempt was unsuccessful and the parties have resumed litigation, including class certification motions and expert discovery. The Company is vigorously defending this litigation.

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

LifeWatch Services, Inc. v. Highmark, Inc., et al. is an action previously included in the *In re: Blue Cross Blue Shield Antitrust Litigation*. Plaintiff is a durable medical equipment supplier of mobile cardiac outpatient telemetry units (MCOT), which remotely monitor patients for heart issues. Plaintiff makes antitrust claims against Highmark, Inc., BCBSA, Anthem, Horizon

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Blue Cross Blue Shield of New Jersey, Blue Cross Blue Shield of South Carolina, and Blue Cross Blue Shield of Minnesota, alleging a conspiracy to not reimburse for MCOT. This conspiracy is allegedly implemented via a BCBSA medical policy. The matter has been remanded to the Eastern District of Pennsylvania where Plaintiff has filed a Third Amended Complaint. In May 2016, the Company and other defendants filed a Motion to Dismiss the Third Amended Complaint. In December 2016, the Court heard oral argument on the Motion to Dismiss. Plaintiff has resolved the litigation with one of the defendants, Highmark, Inc. On April 3, 2017, the Court granted Defendants' motion to dismiss the Third Amended Complaint and dismissed the litigation with prejudice. Plaintiff appealed the dismissal and, in August 2018, the 3rd Circuit reversed the dismissal. The Company's Motion to Dismiss based on the McCarran-Ferguson Act was granted by the the Eastern District Court of Pennsylvania on December 28, 2020. Lifewatch has appealed the decision. The Company is vigorously defending this litigation.

OMNIA Litigation

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

In *Saint Peter's University Hospital, Inc. v. Horizon Healthcare Services, Inc.*, Saint Peter's alleges causes of action for Breach of Contract, Breach of the Implied Covenant of Good Faith and Fair Dealing, Tortious Interference with Prospective Economic Advantage, Defamation and Trade Libel and requests injunctive relief, including Tier 1 status for OMNIA. Through Horizon's Motion for Summary Judgment, the Court dismissed the counts of tortious interference and defamation and trade libel. The Court has ordered mediation. Trial is scheduled to begin on April 6, 2021.

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

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

In March 2015, the Court granted the Company's Motion to Dismiss the litigation. Plaintiffs appealed and, on January 20, 2017, the Third Circuit reversed the District Court's Order and remanded the proceeding to District Court. The Third Circuit based its decision on a standing analysis and did not analyze the underlying merits of the case. The Company re-filed its Motion to Dismiss and, on July 17, 2017, oral argument was heard. The Company continues to wait for a decision from the Court.

Conclusion

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

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

15) LEASES

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

	Minimum Lease Payments
2021	7,386
2022	6,561
2023	5,011
2024	4,458
Thereafter	46,216
	<u>69,632</u>

Total rent expense for operating leases in 2020 and 2019 was \$31,586 million and \$30,463 million, respectively.

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

16) INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK
Not applicable

17) SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENT OF LIABILITIES
Not applicable

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

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

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

ASO Plans		ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans as follows during 2019:				
a.	Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ -	\$ -	\$ -
b.	Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
c.	Net gain or (Loss) from operations	\$ -	\$ -	\$ -
d.	Total claim payment volume	\$ -	\$ -	\$ -
ASC Plans		ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Service Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2019:				
a.	Gross reimbursement for medical cost incurred	\$ 9,775,829	\$ -	\$ 9,775,829
b.	Gross administrative fees accrued	\$ 351,354	\$ -	\$ 351,354
c.	Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d.	Gross expenses incurred (claims and administrative)	\$ 10,127,185	\$ -	\$ 10,127,185
e.	Total net gain or loss from operations	\$ -	\$ -	\$ -

Had these groups been considered as insured business, premiums claims and operating expenses would have been increased by the following amounts in 2019:

ASO Plans		ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans as follows during 2018:				
a.	Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ -	\$ -	\$ -
b.	Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
c.	Net gain or (Loss) from operations	\$ -	\$ -	\$ -
d.	Total claim payment volume	\$ -	\$ -	\$ -
ASC Plans		ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total SASC
The gain from operations from Administrative Service Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2019:				
a.	Gross reimbursement for medical cost incurred	\$ 9,515,088	\$ -	\$ 9,515,088
b.	Gross administrative fees accrued	\$ 318,718	\$ -	\$ 318,718
c.	Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d.	Gross expenses incurred (claims and administrative)	\$ 9,833,806	\$ -	\$ 9,833,806
e.	Total net gain or loss from operations	\$ -	\$ -	\$ -

19) DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS
Not applicable

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

20) FAIR VALUE MEASUREMENTS

A.

December 31, 2020	Level I	Level II	Level III	Total
Fixed income debt securities				
Corporate bonds, available-for-sale, at fair value	\$ -	\$ 25,543	\$ -	\$ 25,543
Collateralized securities, available-for-sale, at fair value	-	9,201	-	9,201
Total fixed income debt securities	-	34,744	-	34,744
Equity securities				
Domestic Common Stocks	258,277	-	-	258,277
Foreign Common Stocks	116,614	-	-	116,614
Preferred Stocks	2,640	-	-	2,640
Total equity securities	377,531	-	-	377,531
Total	\$ 377,531	\$ 34,744	\$ -	\$ 412,275

December 31, 2019	Level I	Level II	Level III	Total
Fixed income debt securities				
US treasury securities and obligations of US government	\$ -	\$ 54,192	\$ -	\$ 54,192
Corporate bonds, available-for-sale, at fair value	-	7,120	-	7,120
Collateralized securities, available-for-sale, at fair value	-	-	-	-
Total fixed income debt securities	-	61,312	-	61,312
Equity securities				
Domestic Common Stocks	184,351	-	-	184,351
Foreign Common Stocks	133,506	-	-	133,506
Preferred Stocks	1,446	-	-	1,446
Total equity securities	319,303	-	-	319,303
Total	\$ 319,303	\$ 61,312	\$ -	\$ 380,615

The table below sets forth a summary of the changes in the fair value of our Level III investments for the year ended December 31, 2020.

C. Aggregate Fair Value by Hierarchical Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bond	2,289,880,583	\$ 2,167,066,567	\$ -	\$ 2,289,880,583	\$ -	\$ -
Collateralized Mortgage Obligation	435,040,531	421,193,964	-	435,040,531	-	-
Mortgage Back Securities	248,112,842	239,695,675	-	248,112,842	-	-
Redeemable Preferred Stocks	1,489,552	1,385,335	1,489,552	-	-	-
Perpetual Preferred Stocks	3,092,689	3,073,817	3,092,689	-	-	-
Common Stock	374,890,719	374,890,719	374,890,719	-	-	-
Short Term	15,006,061	15,005,390	3,015,699	11,990,362	-	-
Cash and Cash Equivalent	96,347,917	96,347,737	53,623,894	3,399,704	-	39,324,319
Total	\$ 3,463,860,895	\$ 3,318,659,204	\$ 436,112,552	\$ 2,988,424,023	\$ -	\$ 39,324,319

D. Not Practicable to Estimate Fair Value Detail

December 31, 2020						
Type or Class of Financial Instrument						
CUSIP	Lot	Security Description	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Cash and Cash Equivalents						
CASHUS-D0-0	1	JP MORGAN BANK DEPOSIT SWEEP	\$ -	0.00004		
CASHUS-D0-0	2	JP MORGAN BANK DEPOSIT SWEEP	17,365	0.00004		
CASHUS-D0-0	3	JP MORGAN BANK DEPOSIT SWEEP	774,773	0.00004		
CASHUS-D0-0	4	JP MORGAN BANK DEPOSIT SWEEP	6,832,312	0.00004		
CASHUS-D0-0	5	JP MORGAN BANK DEPOSIT SWEEP	4,196,253	0.00004		
CASHUS-D0-0	6	JP MORGAN BANK DEPOSIT SWEEP	-	0.00004		
CASHUS-D0-0	7	JP MORGAN BANK DEPOSIT SWEEP	-	0.00004		
CASHUS-D0-0	8	JP MORGAN BANK DEPOSIT SWEEP	1,094	0.00004		
CASHUS-D0-0	9	JP MORGAN BANK DEPOSIT SWEEP	3,789,120	0.00004		
CASHUS-D0-0	10	JP MORGAN BANK DEPOSIT SWEEP	759,497	0.00004		
CASHUS-D0-0	11	JP MORGAN BANK DEPOSIT SWEEP	1,452,358	0.00004		
CASHUS-D0-0	12	JP MORGAN BANK DEPOSIT SWEEP	-	0.00004		
CASHUS-D0-0	13	JP MORGAN BANK DEPOSIT SWEEP	5,093,389	0.00004		
CASHUS-D0-0	14	JP MORGAN BANK DEPOSIT SWEEP	35,267	0.00004		
CASHUS-D0-0	15	JP MORGAN BANK DEPOSIT SWEEP	678,394	0.00004		
CASHUS-D0-0	16	JP MORGAN BANK DEPOSIT SWEEP	8,186,046	0.00004		
CASHUS-D0-0	17	JP MORGAN BANK DEPOSIT SWEEP	6,408,450	0.00004		
CASHUS-D0-0	18	JP MORGAN BANK DEPOSIT SWEEP	1,100,000	0.00004		
Total Cash and Cash Equivalents			\$ 39,324,319			

21) OTHER ITEMS

- A. Unusual or infrequent items – None
 B. Troubled debt restructuring: debtor – None
 C. Other disclosures:

- In February 2018, HHSI announced that as a result of the recently enacted Federal tax reforms that it was going to use 50% of the benefit it is receiving to benefit its policy holders in 2018 and invest, over the next five years, in initiatives that would drive improvements in health care for its members in the areas of behavioral health, access to care and addiction. To that end, through 2019 the Company distributed \$131,957 to its members and invested and additional \$92,236 in health care initiatives.

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

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

22) EVENTS SUBSEQUENT

The Company follows established guidelines for accounting and disclosure of events that occur after the balance sheet date but before financial statements are issued. The Company has evaluated subsequent events for recognition or disclosure in these financial statements through the date of their issuance on February 26, 2021.

23) REINSURANCE

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

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

Yes () No (X)

If yes, give full details.

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

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

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

Yes () No (X)

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

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

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$195,822 decrease to surplus.

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

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

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

- B. Uncollectible Reinsurance
Not applicable
- C. Commutation of Ceded Reinsurance
Not applicable
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
Not applicable

24) RETROSPECTIVELY RATED CONTRACTS and CONTRACTS SUBJECT TO REDETERMINATION

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

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

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

(1) Did the reporting entity write accidental and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions	Yes
(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	<u>Amount</u>
a. Permanent ACA Risk Adjustment Program	
Asset	
1 Premium adjustments receivable due to ACA Risk Adjustment	\$ 99,030
Liabilities	
2 Risk adjustment user fees payable for ACA Risk Adjustment	792
3 Premium adjustments payable due to ACA Risk Adjustment	10,000
Operations (Revenue & Expense)	
4 Reported as revenue in Premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	89,030
5 Reported in expenses as ACA risk adjustment user fees (incurred/paid)	792
b. Transitional ACA Reinsurance Program	
Asset	
1 Amounts recoverable for claims paid due to ACA Reinsurance	-
2 Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	-
3 Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	-
Liabilities	
4 Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	-
5 Ceded reinsurance premium payable due to ACA Reinsurance	-
6 Liabilities for amounts held under uninsured plans contributions for ACA reinsurance	-
Operations (Revenue & Expense)	
7 Ceded reinsurance premium payable due to ACA Reinsurance	-
8 Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	-
9 ACA Reinsurance contributions - not reported as ceded premium	-
c. Temporary ACA Risk Corridors Program	
Asset	
1 Accrued retrospective premium due to ACA Risk Corridors	-
Liabilities	
2 Reserve for credits or policy experience rating refunds due to ACA Risk Corridors	-
Operations (Revenue & Expense)	
3 Effect of ACA Risk Corridors on net premium income (paid/received)	-
4 Effect of ACA Risk Corridors on change in reserves for rate credits	-

NOTES TO FINANCIAL STATEMENTS
(In thousands of dollars, unless otherwise noted)

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

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

a. Permanent ACA Risk Adjustment Program											
1 Premium adjustment receivable (including high risk pool payments)	101,795	-	-	-	101,795	-	(84,180)	-	A	17,615	-
2 Premium adjustment (payable) (including high risk pool payments)	-	(141,542)	-	-	-	(141,542)	-	20,777	B	-	(120,765)
3 Subtotal ACA Permanent Risk Adjustment Program	101,795	(141,542)	-	-	101,795	(141,542)	(84,180)	20,777		17,615	(120,765)
b. Transitional ACA Reinsurance Program											
1 Amounts recoverable for claims paid	-	-	-	-	-	-	-	-	C	-	-
2 Amounts recoverable for claims unpaid (contra liability)	-	-	-	-	-	-	-	-	D	-	-
3 Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4 Liabilities for contributions payable due to ACA reinsurance - not reported as cede premium	-	-	-	-	-	-	-	-	F	-	-
5 Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-	-
6 Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7 Subtotal ACA transitional Reinsurance program	-	-	-	-	-	-	-	-		-	-
c. Temporary ACA Risk Corridors Program											
1 Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
2 Reserve for rate credited or policy experience rating refund	-	-	-	-	-	-	-	-	J	-	-
3 Subtotal ACA Risk Corridors program	-	-	-	-	-	-	-	-		-	-
d. Total for ACA Risk sharing provisions	101,795	(141,542)	-	-	101,795	(141,542)	(84,180)	20,777		17,615	(120,765)

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

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

a. 2015											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
b. 2016											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
c. 2017											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
d. 2018											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-		-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-		-	-
e. Total for Risk Corridors	-	-	-	-	-	-	-	-		-	-

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1-2-3)	5 Non-admitted Amount	6 Net-Admitted Asset (4-5)
a. 2015	-	-	-	-	-	-
b. 2016	-	-	-	-	-	-
c. 2017	-	-	-	-	-	-
d. 2018	-	-	-	-	-	-
e Total (a+b+c)	-	-	-	-	-	-

25) CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

Reserves for incurred claims attributable to insured events of prior years of \$45,861 and \$8,082 unfavorably impacted our results of operations in 2020 and 2019, respectively, as a result of re-estimation of unpaid claims. The unfavorable impact is the result of ongoing analysis of recent loss development trends. Original estimates are revised as additional information becomes available.

26) INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

27) STRUCTURED SETTLEMENTS

Not applicable

28) HEALTH CARE RECEIVABLES

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

	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	\$ 187,828	\$ 78,845	\$ -	\$ 72,656	\$ 5,066
9/30/2020	173,071	68,537	0	78,953	2,523
6/30/2020	179,256	74,822	0	72,825	353
3/31/2020	152,591	65,043	0	70,774	3,079
12/31/2019	\$ 141,154	\$ 62,809	\$ -	\$ 63,257	\$ 2,999
9/30/2019	129,168	59,342	0	60,466	2,546
6/30/2019	120,612	54,931	0	65,253	2,833
3/31/2019	128,325	59,014	0	63,845	895

29) PARTICIPATING POLICIES

Not applicable

NOTES TO FINANCIAL STATEMENTS

(In thousands of dollars, unless otherwise noted)

30) PREMIUM DEFICIENCY RESERVES

There was no premium deficiency reserve required at December 31, 2020 or 2019.

31) ANTICIPATED SALVAGE AND SUBROGATION

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No []
 If yes, complete Schedule Y, Parts 1, 1A 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 [] No [] N/A []
- 1.3 State Regulating? New Jersey.....
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No []
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.12/31/2015
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).02/10/2017
- 3.4 By what department or departments? New Jersey Department of Banking and Insurance.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [] No []
- 4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No []
- 4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
 If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No []
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,
- 7.21 State the percentage of foreign control0.0 %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

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

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No []
 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 []
 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Ernst & Young, LLP, 5 Times Square, New York, NY 10036-6530.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No []
- 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 []
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Kenny Kan (Vice President and Chief Actuary), Horizon BCBSNJ, 3 Penn Plaza East, Newark, NJ 07105-2248.....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No []
- Enterprise Property Holdings, LLC and Three Penn Plaza Property Holdings Urban Renewal, LLC.....
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved3
- 12.13 Total book/adjusted carrying value \$74,082,894

- 12.2 If yes, provide explanation
 Reporting Entity has two wholly-owned entities that are real estate holding companies.....
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 Reporting entity has two wholly-owned entities that are real estate holding companies.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] 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 [] 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 []
- 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 []
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|----------|
| | 20.11 To directors or other officers | \$.....0 |
| | 20.12 To stockholders not officers | \$.....0 |
| | 20.13 Trustees, supreme or grand (Fraternal only) | \$.....0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|--|---|----------|
| | 20.21 To directors or other officers | \$.....0 |
| | 20.22 To stockholders not officers | \$.....0 |
| | 20.23 Trustees, supreme or grand (Fraternal only) | \$.....0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|--|----------------------------|----------|
| | 21.21 Rented from others | \$.....0 |
| | 21.22 Borrowed from others | \$.....0 |
| | 21.23 Leased from others | \$.....0 |
| | 21.24 Other | \$.....0 |
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- | | | |
|--|--|------------------|
| | 22.21 Amount paid as losses or risk adjustment | \$.....2,462,937 |
| | 22.22 Amount paid as expenses | \$.....0 |
| | 22.23 Other amounts paid | \$.....0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....0

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)
- 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. \$.....
- 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 [] No [] NA [X]
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 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 [] No [] NA [X]

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	\$.....0
24.092	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$.....0
24.093	Total payable for securities lending reported on the liability page	\$.....0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21	Subject to repurchase agreements	\$.....0
25.22	Subject to reverse repurchase agreements	\$.....0
25.23	Subject to dollar repurchase agreements	\$.....0
25.24	Subject to reverse dollar repurchase agreements	\$.....0
25.25	Placed under option agreements	\$.....0
25.26	Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$.....0
25.27	FHLB Capital Stock	\$.....613,600
25.28	On deposit with states	\$.....0
25.29	On deposit with other regulatory bodies	\$.....0
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$.....0
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$.....88,412,315
25.32	Other	\$.....0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
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 []

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, NA.....	New York, NY.....
Wells Fargo, NA.....	San Francisco, CA.....
Citi Bank.....	New York, NY.....
.....
.....

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Horizon Healthcare Services, Inc.

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)
BNY Mellon, NA.....	New York, NY.....	The company utilizes BNY Mellon for its short-term investments.....

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

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
Black Rock, Inc.....	U.....
Alliance Capital Mgmt.....	U.....
Prudential Investment Mgmt, Inc.....	U.....
TimesSquare Capital Management, LLC.....	U.....
PACIFIC INVESTMENT MANAGEMENT COMPANY LLC.....	U.....
Lazard Asset Management, LLC.....	U.....
Aigon Asset Management.....	U.....

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107105.....	Black Rock, Inc.....	549300LVXYIVJKE13M84.....	SEC.....	NO.....
108477.....	Alliance Capital Mgmt.....	0JK55UGWSWNF3X7KLQ85.....	SEC.....	NO.....
105676.....	Prudential Investment Mgmt, Inc.....	5493009SX8QJBZYIGB87.....	SEC.....	
153456.....	TimesSquare Capital Management, LLC.....	N/A.....	SEC.....	
104559.....	PACIFIC INVESTMENT MANAGEMENT COMPANY LLC.....	549300KGPYQZXGMYYN38.....	SEC.....	NO.....
122836.....	Lazard Asset Management, LLC.....	P11BQ116K7EXV2Q96E20.....	SEC.....	NO.....
114537.....	Aegon Asset Management.....	4DJIF67XTB552L0E3L78.....	SEC.....	

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2001 52106N-88-9.....	LAZARD EM FUND.....	25,690,012
29.2002 00170K-72-9.....	TIMESQUARE SMALL CAP GROWTH FUND.....	7,675,235
29.2003 02368A-20-8.....	ABF LARGE CAP VAL R5.....	771,620
29.2004 24610B-81-8.....	DELAWARE GROUP EQUITY FDS V.....	73,581
29.2005 315796-63-1.....	FIDELITY FREEDOM 2065 K.....	708
29.2006 315794-69-3.....	FIDELITY FREEDOM 2060 K.....	708
29.2007 315794-71-9.....	FIDELITY FREEDOM 2055 K.....	885
29.2008 315794-72-7.....	FIDELITY FREEDOM 2050 K.....	16,834
29.2009 315794-73-5.....	FIDELITY FREEDOM 2045 K.....	102,521
29.2010 315794-74-3.....	FIDELITY FREEDOM 2040 K.....	342,335
29.2011 315794-75-0.....	FIDELITY FREEDOM 2035 K.....	3,387,404
29.2012 315794-76-8.....	FIDELITY FREEDOM 2030 K.....	4,432,125
29.2013 315794-77-6.....	FIDELITY FREEDOM 2025 K.....	11,941,185
29.2014 315794-78-4.....	FIDELITY FREEDOM 2020 K.....	3,608,916
29.2015 315794-79-2.....	FIDELITY FREEDOM 2015 K.....	1,605,337
29.2016 315794-81-8.....	FIDELITY FREEDOM 2010 K.....	114,246
29.2017 315794-82-6.....	FIDELITY FREEDOM 2005 K.....	338,550
29.2018 315794-83-4.....	FIDELITY FREEDOM INCM K.....	184,428
29.2019 315910-26-5.....	FIDELITY INTL DISCOVERY K.....	1,225,856
29.2020 315910-50-5.....	FIDELITY WORLDWIDE FD.....	925,649
29.2021 315911-69-3.....	FID TOT MKT IDX IPR.....	1,176,593
29.2022 315911-72-7.....	FID INTL INDEX IPR.....	199,804
29.2023 315911-74-3.....	FID EXT MKT IDX IPR.....	717,473
29.2024 315911-75-0.....	FID 500 INDEX IPR.....	3,946,092

GENERAL INTERROGATORIES

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2025 316071-70-3	FIDELITY CONTRAFUND INC K	3,614,212
29.2026 316128-65-1	FIDELITY EQUITY INCOME K	316,689
29.2027 316138-20-5	FIDELITY REAL ESTATE INVS FD	685,438
29.2028 316146-35-6	FID US BOND IDX	2,128,567
29.2029 316146-40-6	FIDELITY HIGH INCOME	621,448
29.2030 316345-60-2	FIDELITY BALANCED K	1,402,452
29.2031 31635T-10-4	FID INFL PR BD IDX	624,942
29.2032 416529-80-8	HARTFORD SM CAP GROWTH FD - Y	1,143,768
29.2033 55273W-47-5	MFS SER TR XI MD CP VALUE R5	255,035
29.2034 57630A-59-2	MASSMUTUAL SELECT FDS SEL MC	1,567,176
29.2035 63872R-57-4	LOOMIS CORE PL BD N	1,580,227
29.2036 641233-20-0	NEUBERGER BERMAN GENESIS INSTL	1,071,014
29.2999 TOTAL		83,489,065

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
LAZARD EM FUND	SAMSUNG ELECTRONICS CO LTD	1,430,934	12/31/2020
LAZARD EM FUND	SK HYNIX INC	1,104,671	
LAZARD EM FUND	SBERBANK OF RUSSIA PJSC	714,182	
LAZARD EM FUND	CHINA CONSTRUCTION BANK-H	688,492	
LAZARD EM FUND	OTP BANK PLC	667,940	
Timesquare Small Cap Growth Fund	Q2 HOLDINGS INC	155,040	12/31/2020
Timesquare Small Cap Growth Fund	SAILPOINT TECHNOLOGIES HOLDINGS INC	137,387	
Timesquare Small Cap Growth Fund	WHEELS UP	125,874	
Timesquare Small Cap Growth Fund	ACCELERON PHARMA INC	118,966	
Timesquare Small Cap Growth Fund	WNS HOLDINGS LTD	116,664	
ABF LARGE CAP VAL R5	Citigroup Inc	24,923	12/31/2020
	American International Group Inc	19,059	
	JPMorgan Chase & co	18,210	
	Medtronic PLC	16,976	
	Comcast Corp	16,744	
DELAWARE GROUP EQUITY FDS V	East West Bancorp Inc	2,215	12/31/2020
	MasTec Inc	1,825	
	Stifel Financial Corp	1,648	
	Berry Global Group Inc	1,435	
	ITT Inc	1,420	
FIDELITY FREEDOM 2065 K	Fidelity Series Emerging Markets Fund	103	12/31/2020
	Fidelity Series Intrinsic Opportunities Fund	57	
	Fidelity Series Growth Company Fund	56	
	Fidelity Series Large Cap Stock	50	
	Fidelity Series International Growth Fund	50	
FIDELITY FREEDOM 2060 K	Fidelity Series Emerging Markets Fund	103	12/31/2020
	Fidelity Series Intrinsic Opportunities Fund	57	
	Fidelity Series Growth Company Fund	56	
	Fidelity Series Large Cap Stock	50	
	Fidelity Series International Growth Fund	50	
FIDELITY FREEDOM 2055 K	Fidelity Series Emerging Markets Fund	129	12/31/2020
	Fidelity Series Intrinsic Opportunities Fund	72	
	Fidelity Series Growth Company Fund	71	
	Fidelity Series Large Cap Stock	62	
	Fidelity Series International Growth Fund	62	
FIDELITY FREEDOM 2050 K	Fidelity Series Emerging Markets	2,444	12/31/2020
	Fidelity Series Intrinsic Opps	1,365	
	Fidelity Series Growth Company Fund	1,342	
	Fidelity Series Large Cap Stock	1,180	

GENERAL INTERROGATORIES

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
FIDELITY FREEDOM 2045 K.....	Fidelity Series International Growth Fund.....	1,178	12/31/2020.....
	Fidelity Series Emerging Markets.....	14,886	
	Fidelity Series Intrinsic Opps.....	8,314	
	Fidelity Series Growth Company Fund.....	8,171	
	Fidelity Series Large Cap Stock.....	7,187	
FIDELITY FREEDOM 2040 K.....	Fidelity Series International Growth Fund.....	7,176	12/31/2020.....
	Fidelity Series Emerging Markets.....	49,707	
	Fidelity Series Intrinsic Opps.....	27,763	
	Fidelity Series Growth Company Fund.....	27,284	
	Fidelity Series Large Cap Stock.....	23,998	
FIDELITY FREEDOM 2035 K.....	Fidelity Series International Growth Fund.....	23,963	12/31/2020.....
	Fidelity Series Emerging Markets.....	458,316	
	Fidelity Series Investment Grade Bond.....	307,576	
	Fidelity Series Intrinsic Opps.....	243,554	
	Fidelity Series Growth Company Fund.....	240,844	
FIDELITY FREEDOM 2030 K.....	Fidelity Series International Growth Fund.....	213,406	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	871,799	
	Fidelity Series Emerging Markets.....	526,980	
	Fidelity Series Intrinsic Opps.....	253,074	
	Fidelity Series Growth Company Fund.....	249,972	
FIDELITY FREEDOM 2025 K.....	Fidelity Series Inflation-Protected Bond.....	240,664	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	2,728,561	
	Fidelity Series Emerging Markets.....	1,315,919	
	Fidelity Series Inflation-Protected Bond.....	737,965	
	Fidelity Series Intrinsic Opps.....	587,506	
FIDELITY FREEDOM 2020 K.....	Fidelity Series Government MM Fund.....	581,536	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	917,025	
	Fidelity Series Emerging Markets.....	371,718	
	Fidelity Series Government MM Fund.....	261,285	
	Fidelity Series Inflation-Protected Bond.....	251,541	
FIDELITY FREEDOM 2015 K.....	Fidelity Series Intrinsic Opps.....	154,462	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	466,832	
	Fidelity Series Government MM Fund.....	165,189	
	Fidelity Series Emerging Markets.....	149,938	
	Fidelity Series Inflation-Protected Bond.....	131,959	
FIDELITY FREEDOM 2010 K.....	Fidelity Series Intrinsic Opps.....	54,742	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	37,518	
	Fidelity Series Government MM Fund.....	15,492	
	Fidelity Series Inflation-Protected Bond.....	10,853	
	Fidelity Series Emerging Markets.....	9,494	
FIDELITY FREEDOM 2005 K.....	Fidelity Series Short-Term Credit.....	3,667	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	123,232	
	Fidelity Series Government MM Fund.....	57,689	
	Fidelity Series Inflation-Protected Bond.....	37,308	
	Fidelity Series Emerging Markets.....	24,646	
FIDELITY FREEDOM INCM K.....	Fidelity Series Short-Term Credit.....	12,966	12/31/2020.....
	Fidelity Series Investment Grade Bond.....	70,378	
	Fidelity Series Government MM Fund.....	34,267	
	Fidelity Series Inflation-Protected Bond.....	21,947	

GENERAL INTERROGATORIES

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
	Fidelity Series Emerging Markets	12,412	
	Fidelity Series Short-Term Credit	8,557	
FIDELITY INTL DISCOVERY K	Nestle S.A.	31,750	12/31/2020
	Roche Holding AG Part. Cert.	30,156	
	ASML Holding NV	22,678	
	LVMH Moet Hennessy Louis Vuitton	20,594	
	AIA Group Ltd.	19,981	
FIDELITY WORLDWIDE FD	Microsoft Corp.	32,398	12/31/2020
	Amazon.com Inc.	28,325	
	Square Inc.	27,769	
	PayPal Holdings Inc.	25,455	
	Alphabet	25,085	
FID TOT MKT IDX IPR	Apple Inc.	64,242	12/31/2020
	Microsoft Corp.	50,946	
	Amazon.com Inc.	42,122	
	Facebook Inc.	19,884	
	Tesla Inc.	16,237	
FID INTL INDEX IPR	Nestle SA	4,196	12/31/2020
	Roche Holding AG Part. Cert.	3,017	
	Novartis AG	2,577	
	ASML Holding NV	2,538	
	LVMH Moet Hennessy Louis Vuitton	2,138	
FID EXT MKT IDX IPR	Square Inc.	8,681	12/31/2020
	Uber Technologies Inc.	7,390	
	Zoom Video Communications Inc.	6,959	
	Twilio Inc.	4,951	
	Snap Inc.	4,735	
FID 500 INDEX IPR	Apple Inc.	263,994	12/31/2020
	Microsoft Corp.	209,143	
	Amazon.com Inc.	172,839	
	Facebook Inc.	81,684	
	Tesla Inc.	66,689	
FIDELITY CONTRAFUND INC K	Amazon.com Inc.	326,363	12/31/2020
	Facebook Inc.	306,124	
	Microsoft Corp.	189,385	
	Berkshire Hathaway Inc B.	177,458	
	Salesforce.com Inc.	127,943	
FIDELITY EQUITY INCOME K	JPMorgan Chase & Co.	11,116	12/31/2020
	The Walt Disney Co.	9,564	
	Bank of America Corporation	7,442	
	Johnson & Johnson	7,379	
	Citigroup Inc.	5,732	
FIDELITY REAL ESTATE INVS FD	Prologis Inc.	58,605	12/31/2020
	Digital Realty Trust Inc.	58,468	
	Crown Castle International Corp.	45,924	
	Equinix Inc.	41,126	
	SBA Communications Corp.	36,397	
FID US BOND IDX	Fannie Mae 3% 30 Year	55,343	12/31/2020
	Fannie Mae 3.5% 30 Year	41,720	
	Freddie Mac 2.5% 30 Year	40,017	
	Ginnie Mae 3% 30 Year	39,591	
	Ginnie Mae 3.5% 30 Year	36,186	
FIDELITY HIGH INCOME	iShares iBoxx \$ High Yield Corp Bd ETF	11,745	12/31/2020
		9,508	
	Intelsat Jackson Holdings, Ltd. 8%	6,960	
	Aramark Services, Inc. 5%	6,650	
	Fidelity Revere Str Tr	6,650	
FID INFL PR BD IDX	US Treasury Note 0.38%	23,310	12/31/2020
	US Treasury Note 0.12%	22,998	
	US Treasury Note 0.25%	21,873	
	US Treasury Note 0.62%	21,686	
	US Treasury Note 0.12%	21,623	

GENERAL INTERROGATORIES

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
FIDELITY BALANCED K.....	Microsoft Corp.....	60,025	12/31/2020.....
	Amazon.com Inc.....	46,141	
	Apple Inc.....	42,074	
	Fidelity Revere Str Tr.....	34,921	
	Facebook Inc.....	25,945	
MASSMUTUAL SELECT FDS SEL MC.....	Ball Corp.....	34,321	12/31/2020.....
	Hologic Inc.....	32,597	
	Teleflex Inc.....	30,873	
	Microchip Technology Inc.....	30,873	
	Catalent Inc.....	30,873	
HARTFORD SM CAP GROWTH FD - Y.....	Omniceil Inc.....	15,098	12/31/2020.....
	TopBuild Corp.....	14,297	
	Penn National Gaming Inc.....	13,840	
	Cardlytics Inc.....	13,725	
	R1 RCM Inc.....	12,353	
MFS SER TR XI MD CP VALUE R5.....	Eastman Chemical Co.....	3,188	12/31/2020.....
	Stanley Black & Decker Inc.....	3,060	
	Zebra Technologies Corp.....	2,984	
	Arthur J. Gallagher & Co.....	2,958	
	Eaton Corp Plc.....	2,933	
LOOMIS CORE PL BD N.....	US Treasury Bills 0%.....	51,041	12/31/2020.....
	FNMA 2%.....	36,503	
	FNMA 2.5%.....	32,553	
	US Treasury Notes 3.12%.....	28,286	
	FNMA Pass-Thru 2.5%.....	27,338	
NEUBERGER BERMAN GENESIS INSTL.....	Pool Corp.....	35,129	12/31/2020.....
	West Pharmaceutical Services Inc.....	26,668	
	Fair Isaac Corp.....	24,419	
	Bio-Techne Corp.....	24,098	
	Manhattan Associates Inc.....	21,742	

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	2,846,361,120	2,991,439,722	145,078,602
30.2 Preferred Stocks.....	4,459,152	4,582,241	123,089
30.3 Totals	2,850,820,272	2,996,021,963	145,201,691

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

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

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

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

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

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

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

32.2 If no, list exceptions:

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 [X] No []

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

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

Has the reporting entity self-designated PLGI securities? Yes [] No [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 nonaffiliated then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 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 [X] No [] NA []

OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$9,250,213

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
Blue Cross Blue Shield Association.....	\$.....3,138,928

GENERAL INTERROGATORIES

38.1 Amount of payments for legal expenses, if any?

\$9,438,697

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
White And Williams LLP.....	\$.....3,684,336

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$824,810

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

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
- 1.31 Reason for excluding
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$0
- 1.62 Total incurred claims \$0
- 1.63 Number of covered lives0
- All years prior to most current three years:
- 1.64 Total premium earned \$0
- 1.65 Total incurred claims \$0
- 1.66 Number of covered lives0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$0
- 1.72 Total incurred claims \$0
- 1.73 Number of covered lives0
- All years prior to most current three years:
- 1.74 Total premium earned \$0
- 1.75 Total incurred claims \$0
- 1.76 Number of covered lives0

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$12,130,905,532	\$	.....11,439,508,678
2.2	Premium Denominator	\$12,272,315,388	\$	.....11,611,553,406
2.3	Premium Ratio (2.1/2.2)	.....0.988		.....0.985
2.4	Reserve Numerator	\$1,732,101,811	\$	.....1,234,183,942
2.5	Reserve Denominator	\$1,724,637,811	\$	.....1,226,663,942
2.6	Reserve Ratio (2.4/2.5)	.....1.004		.....1.006

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]
- 5.2 If no, explain:
The reporting entity is large enough to absorb any potential risks.
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical \$0
- 5.32 Medical Only \$0
- 5.33 Medicare Supplement \$0
- 5.34 Dental and Vision \$0
- 5.35 Other Limited Benefit Plan \$0
- 5.36 Other \$0
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
Contracts with participating providers contain conventional hold harmless and completion of treatment provisions
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [] No [X]
- 7.2 If no, give details
The reporting entity utilizes actuarial triangles
8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year101,986
- 8.2 Number of providers at end of reporting year108,442
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [X] No []
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months27,980,242
- 9.22 Business with rate guarantees over 36 months0

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [] No [X]
- 10.2 If yes:
- | | | |
|--|---|----------|
| | 10.21 Maximum amount payable bonuses | \$.....0 |
| | 10.22 Amount actually paid for year bonuses | \$.....0 |
| | 10.23 Maximum amount payable withholds | \$.....0 |
| | 10.24 Amount actually paid for year withholds | \$.....0 |
- 11.1 Is the reporting entity organized as:
- | | | |
|--|---|------------------|
| | 11.12 A Medical Group/Staff Model, | Yes [] No [X] |
| | 11.13 An Individual Practice Association (IPA), or, | Yes [] No [X] |
| | 11.14 A Mixed Model (combination of above) ? | Yes [] No [X] |
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus. New Jersey.....
- 11.4 If yes, show the amount required. \$.....841,980,126
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]
- 11.6 If the amount is calculated, show the calculation
See RBC filing
12. List service areas in which reporting entity is licensed to operate:

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

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

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

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

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

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

FIVE - YEAR HISTORICAL DATA

	1 2020	2 2019	3 2018	4 2017	5 2016
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	6,592,985,671	5,684,866,572	5,527,795,121	5,437,934,860	4,257,607,230
2. Total liabilities (Page 3, Line 24)	3,523,750,251	2,952,186,194	2,542,533,759	2,665,725,428	1,871,670,633
3. Statutory minimum capital and surplus requirement	841,980,126	825,752,385	886,032,860	872,207,596	624,261,018
4. Total capital and surplus (Page 3, Line 33)	3,069,235,420	2,732,680,378	2,985,261,367	2,772,209,433	2,385,936,594
Income Statement (Page 4)					
5. Total revenues (Line 8)	12,275,703,270	11,547,551,033	12,456,477,106	12,222,785,696	6,692,731,823
6. Total medical and hospital expenses (Line 18)	10,140,213,223	10,105,717,753	10,763,210,799	10,691,103,748	5,674,257,319
7. Claims adjustment expenses (Line 20)	375,185,928	344,960,254	286,400,721	294,133,728	169,613,366
8. Total administrative expenses (Line 21)	1,625,934,229	1,330,523,114	1,499,377,079	1,269,261,202	987,311,117
9. Net underwriting gain (loss) (Line 24)	134,369,890	(233,650,088)	(92,511,493)	(31,712,982)	(138,449,979)
10. Net investment gain (loss) (Line 27)	71,120,433	89,450,312	119,230,902	104,075,169	70,124,096
11. Total other income (Lines 28 plus 29)	0	0	0	0	0
12. Net income or (loss) (Line 32)	353,465,529	1,222,913	336,109,706	56,667,187	(82,980,748)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	855,176,485	380,980,422	(235,824)	603,616,035	4,273,509
Risk-Based Capital Analysis					
14. Total adjusted capital	3,069,235,420	2,732,680,378	2,985,261,367	2,772,209,433	2,385,936,594
15. Authorized control level risk-based capital	420,990,063	414,141,418	443,016,430	436,103,798	384,789,724
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	1,196,755	1,238,975	1,256,354	1,371,189	1,283,634
17. Total members months (Column 6, Line 7)	14,793,648	14,898,941	15,570,280	16,547,934	15,739,625
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	82.6	87.5	86.4	87.5	84.8
20. Cost containment expenses	2.2	2.0	1.7	1.6	1.2
21. Other claims adjustment expenses	0.8	1.0	0.6	0.8	1.3
22. Total underwriting deductions (Line 23)	98.9	102.0	100.7	100.3	102.1
23. Total underwriting gain (loss) (Line 24)	1.1	(2.0)	(0.7)	(0.3)	(2.1)
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	989,006,823	883,977,456	1,003,561,374	908,293,541	526,137,924
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)]	1,009,441,755	933,496,441	1,011,719,596	604,457,212	553,375,088
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	1,451,490,118	1,378,664,806	1,274,337,013	1,236,843,393	1,162,343,733
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	9,215,103	0	0	0	0
32. Total of above Lines 26 to 31	1,460,705,221	1,378,664,806	1,274,337,013	1,236,843,393	1,162,343,733
33. Total investment in parent included in Lines 26 to 31 above					

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

If no, please explain

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.	1 Active Status (a)	Direct Business Only							9 Deposit-Type Contracts	
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7		
1. Alabama	AL	N							0	0
2. Alaska	AK	N							0	0
3. Arizona	AZ	N							0	0
4. Arkansas	AR	N							0	0
5. California	CA	N							0	0
6. Colorado	CO	N							0	0
7. Connecticut	CT	N							0	0
8. Delaware	DE	N							0	0
9. District of Columbia	DC	N							0	0
10. Florida	FL	N							0	0
11. Georgia	GA	N							0	0
12. Hawaii	HI	N							0	0
13. Idaho	ID	N							0	0
14. Illinois	IL	N							0	0
15. Indiana	IN	N							0	0
16. Iowa	IA	N							0	0
17. Kansas	KS	N							0	0
18. Kentucky	KY	N							0	0
19. Louisiana	LA	N							0	0
20. Maine	ME	N							0	0
21. Maryland	MD	N							0	0
22. Massachusetts	MA	N							0	0
23. Michigan	MI	N							0	0
24. Minnesota	MN	N							0	0
25. Mississippi	MS	N							0	0
26. Missouri	MO	N							0	0
27. Montana	MT	N							0	0
28. Nebraska	NE	N							0	0
29. Nevada	NV	N							0	0
30. New Hampshire	NH	N							0	0
31. New Jersey	NJ	L	5,475,328,395	0	0	897,771,809	0	0	6,373,100,204	0
32. New Mexico	NM	N							0	0
33. New York	NY	N							0	0
34. North Carolina	NC	N							0	0
35. North Dakota	ND	N							0	0
36. Ohio	OH	N							0	0
37. Oklahoma	OK	N							0	0
38. Oregon	OR	N							0	0
39. Pennsylvania	PA	N							0	0
40. Rhode Island	RI	N							0	0
41. South Carolina	SC	N							0	0
42. South Dakota	SD	N							0	0
43. Tennessee	TN	N							0	0
44. Texas	TX	N							0	0
45. Utah	UT	N							0	0
46. Vermont	VT	N							0	0
47. Virginia	VA	N							0	0
48. Washington	WA	N							0	0
49. West Virginia	WV	N							0	0
50. Wisconsin	WI	N							0	0
51. Wyoming	WY	N							0	0
52. American Samoa	AS	N							0	0
53. Guam	GU	N							0	0
54. Puerto Rico	PR	N							0	0
55. U.S. Virgin Islands	VI	N							0	0
56. Northern Mariana Islands	MP	N							0	0
57. Canada	CAN	N							0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	5,475,328,395	0	0	897,771,809	0	0	6,373,100,204	0	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	0
61. Total (Direct Business)	XXX	5,475,328,395	0	0	897,771,809	0	0	6,373,100,204	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 lines in the state 56

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

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

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

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