



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2023
OF THE CONDITION AND AFFAIRS OF THE

Wellmark Advantage Health Plan, Inc.

NAIC Group Code 0572 0572 NAIC Company Code 17001 Employer's ID Number 86-1598618
(Current) (Prior)

Organized under the Laws of Iowa, State of Domicile or Port of Entry IA

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health

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

Incorporated/Organized 01/12/2021 Commenced Business 02/08/2021

Statutory Home Office 1331 Grand Avenue, Des Moines, IA, US 50309
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1331 Grand Avenue
(Street and Number)
Des Moines, IA, US 50309, 515-376-4500
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 200 N. Grand Avenue, Lansing, MI, US 48933
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 200 N. Grand Avenue
(Street and Number)
Lansing, MI, US 48933, 517-708-5285
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.WellmarkAdvantageHealthPlan.com

Statutory Statement Contact Jason Pisarik, 517-708-5285
(Name) (Area Code) (Telephone Number)
jason.pisarik@emergentholdingsinc.com, 517-346-2013
(E-mail Address) (FAX Number)

OFFICERS

President Krischa Kay Winright # Treasurer Anthony George Phillips
 Secretary Bobbi Jo Elliott

OTHER

DIRECTORS OR TRUSTEES

| | | |
|-------------------------------|---------------------------------|-----------------------------|
| <u>Jason Richard Humphrey</u> | <u>Kyle Christopher Lattina</u> | <u>Tricia Ann Keith</u> |
| <u>Sean Joseph McTaggart</u> | <u>Anthony George Phillips</u> | <u>John Stephen Roberts</u> |
| <u>Krischa Kay Winright #</u> | | |

State of Iowa SS
 County of Polk

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.

| | | |
|--|---|--------------------------------------|
| <u>Krischa Kay Winright #</u> President | <u>Anthony George Phillips</u> Treasurer | <u>Bobbi Jo Elliott</u> Secretary |
|--|---|--------------------------------------|

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 2023 OF THE Wellmark Advantage Health Plan, 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) | 14,436,541 | | 14,436,541 | 13,522,587 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks | | | 0 | |
| 2.2 Common stocks | 816,297 | | 816,297 | 722,159 |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens | | | 0 | |
| 3.2 Other than first liens | | | 0 | |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | | | 0 | |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | |
| 5. Cash (\$ 66,553,844 , Schedule E - Part 1), cash equivalents (\$ 950,824 , Schedule E - Part 2) and short-term investments (\$, Schedule DA) | 67,504,668 | | 67,504,668 | 24,365,247 |
| 6. Contract loans, (including \$ premium notes) | | | 0 | |
| 7. Derivatives (Schedule DB) | | | 0 | |
| 8. Other invested assets (Schedule BA) | | | 0 | |
| 9. Receivables for securities | | | 0 | |
| 10. Securities lending reinvested collateral assets (Schedule DL) | | | 0 | |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 82,757,506 | 0 | 82,757,506 | 38,609,993 |
| 13. Title plants less \$ charged off (for Title insurers only) | | | 0 | |
| 14. Investment income due and accrued | | | 0 | |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 4,117 | | 4,117 | 1,520 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | | | 0 | |
| 15.3 Accrued retrospective premiums (\$ 664,490) and contracts subject to redetermination (\$) | 664,490 | | 664,490 | 802,793 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | | | 0 | |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | |
| 17. Amounts receivable relating to uninsured plans | 4,142,653 | | 4,142,653 | 2,822,626 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | |
| 18.2 Net deferred tax asset | | | 0 | |
| 19. Guaranty funds receivable or on deposit | | | 0 | |
| 20. Electronic data processing equipment and software | 3,000,000 | 3,000,000 | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets (\$) | | | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates | 1,721,147 | | 1,721,147 | 1,243,220 |
| 24. Health care (\$ 8,209,725) and other amounts receivable | 8,355,409 | 145,684 | 8,209,725 | 1,761,585 |
| 25. Aggregate write-ins for other than invested assets | 50,750 | 50,750 | 0 | 0 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 100,696,072 | 3,196,434 | 97,499,638 | 45,241,737 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | |
| 28. Total (Lines 26 and 27) | 100,696,072 | 3,196,434 | 97,499,638 | 45,241,737 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. Prepaid Assets | 50,750 | 50,750 | 0 | |
| 2502. | | | | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 50,750 | 50,750 | 0 | 0 |

LIABILITIES, CAPITAL AND SURPLUS

| | Current Year | | | Prior Year |
|--|--------------|-----------|---------------|--------------|
| | 1 | 2 | 3 | 4 |
| | Covered | Uncovered | Total | Total |
| 1. Claims unpaid (less \$0 reinsurance ceded) | 17,121,687 | | 17,121,687 | 6,075,776 |
| 2. Accrued medical incentive pool and bonus amounts | 126,580 | | 126,580 | 0 |
| 3. Unpaid claims adjustment expenses..... | 894,213 | | 894,213 | 260,062 |
| 4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act | 37,546,497 | | 37,546,497 | 21,478,543 |
| 5. Aggregate life policy reserves..... | | | 0 | 0 |
| 6. Property/casualty unearned premium reserves..... | | | 0 | 0 |
| 7. Aggregate health claim reserves..... | | | 0 | 0 |
| 8. Premiums received in advance..... | 78,623 | | 78,623 | 40,696 |
| 9. General expenses due or accrued..... | 4,553,789 | | 4,553,789 | 1,906,242 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses)) | | | 0 | 0 |
| 10.2 Net deferred tax liability..... | | | 0 | 0 |
| 11. Ceded reinsurance premiums payable..... | | | 0 | 0 |
| 12. Amounts withheld or retained for the account of others..... | | | 0 | 0 |
| 13. Remittances and items not allocated..... | | | 0 | 0 |
| 14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)..... | | | 0 | 0 |
| 15. Amounts due to parent, subsidiaries and affiliates..... | 1,992,629 | | 1,992,629 | 5,173,360 |
| 16. Derivatives..... | | | 0 | 0 |
| 17. Payable for securities..... | | | 0 | 0 |
| 18. Payable for securities lending | | | 0 | 0 |
| 19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers)..... | | | 0 | 0 |
| 20. Reinsurance in unauthorized and certified (\$) companies | | | 0 | 0 |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 22. Liability for amounts held under uninsured plans..... | 1,292,288 | | 1,292,288 | 198,295 |
| 23. Aggregate write-ins for other liabilities (including \$ current)..... | 0 | 0 | 0 | 0 |
| 24. Total liabilities (Lines 1 to 23)..... | 63,606,306 | 0 | 63,606,306 | 35,132,974 |
| 25. Aggregate write-ins for special surplus funds..... | XXX | XXX | 0 | 0 |
| 26. Common capital stock..... | XXX | XXX | 500,000 | 500,000 |
| 27. Preferred capital stock..... | XXX | XXX | | |
| 28. Gross paid in and contributed surplus..... | XXX | XXX | 148,089,000 | 66,089,000 |
| 29. Surplus notes..... | XXX | XXX | 0 | 0 |
| 30. Aggregate write-ins for other than special surplus funds..... | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus)..... | XXX | XXX | (114,695,668) | (56,480,237) |
| 32. Less treasury stock, at cost: | | | | |
| 32.1 shares common (value included in Line 26 \$)..... | XXX | XXX | | |
| 32.2 shares preferred (value included in Line 27 \$)..... | XXX | XXX | | |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32)..... | XXX | XXX | 33,893,332 | 10,108,763 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33) | XXX | XXX | 97,499,638 | 45,241,737 |
| DETAILS OF WRITE-INS | | | | |
| 2301. | | | | |
| 2302. | | | | |
| 2303. | | | | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above) | 0 | 0 | 0 | 0 |
| 2501. | XXX | XXX | | |
| 2502. | XXX | XXX | | |
| 2503. | XXX | XXX | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | XXX | XXX | 0 | 0 |
| 3001. | XXX | XXX | | |
| 3002. | XXX | XXX | | |
| 3003. | XXX | XXX | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above) | XXX | XXX | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year | | Prior Year |
|--|----------------|--------------|--------------|
| | 1 Uncovered | 2 Total | 3 Total |
| 1. Member Months..... | XXX | 124,918 | 48,155 |
| 2. Net premium income (including \$ non-health premium income) | XXX | 95,436,087 | 37,901,563 |
| 3. Change in unearned premium reserves and reserve for rate credits | XXX | (1,775,931) | 0 |
| 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 | 93,660,156 | 37,901,563 |
| Hospital and Medical: | | | |
| 9. Hospital/medical benefits | | 107,183,647 | 37,136,131 |
| 10. Other professional services | | 0 | 0 |
| 11. Outside referrals | | 0 | 0 |
| 12. Emergency room and out-of-area | | 0 | 0 |
| 13. Prescription drugs | | 292,670 | 1,447,927 |
| 14. Aggregate write-ins for other hospital and medical..... | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts | | 253,160 | 0 |
| 16. Subtotal (Lines 9 to 15) | 0 | 107,729,477 | 38,584,058 |
| Less: | | | |
| 17. Net reinsurance recoveries | | 0 | 0 |
| 18. Total hospital and medical (Lines 16 minus 17) | 0 | 107,729,477 | 38,584,058 |
| 19. Non-health claims (net) | | | |
| 20. Claims adjustment expenses, including \$ 6,137,449 cost containment expenses | | 7,951,572 | 3,118,874 |
| 21. General administrative expenses | | 23,599,922 | 16,084,587 |
| 22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only) | | 14,292,023 | 13,688,580 |
| 23. Total underwriting deductions (Lines 18 through 22)..... | 0 | 153,572,994 | 71,476,099 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) | XXX | (59,912,838) | (33,574,536) |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17) | | 490,022 | 171,888 |
| 26. Net realized capital gains (losses) less capital gains tax of \$ | | 3,798 | |
| 27. Net investment gains (losses) (Lines 25 plus 26) | 0 | 493,820 | 171,888 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)] | | | |
| 29. Aggregate write-ins for other income or expenses | 0 | (81,105) | 1,234,622 |
| 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 | (59,500,123) | (32,168,026) |
| 31. Federal and foreign income taxes incurred | XXX | | |
| 32. Net income (loss) (Lines 30 minus 31) | XXX | (59,500,123) | (32,168,026) |
| DETAILS OF WRITE-INS | | | |
| 0601. | XXX | | |
| 0602. | XXX | | |
| 0603. | XXX | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | XXX | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above) | XXX | 0 | 0 |
| 0701. | XXX | | |
| 0702. | XXX | | |
| 0703. | XXX | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page | XXX | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above) | XXX | 0 | 0 |
| 1401. | | | |
| 1402. | | | |
| 1403. | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above) | 0 | 0 | 0 |
| 2901. Other Income | 0 | (81,105) | 1,234,622 |
| 2902. | | | |
| 2903. | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above) | 0 | (81,105) | 1,234,622 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| CAPITAL AND SURPLUS ACCOUNT | | |
| 33. Capital and surplus prior reporting year..... | 10,108,763 | 24,772,214 |
| 34. Net income or (loss) from Line 32 | (59,500,123) | (32,168,026) |
| 35. Change in valuation basis of aggregate policy and claim reserves | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$ | 481,126 | (984,425) |
| 37. Change in net unrealized foreign exchange capital gain or (loss) | | |
| 38. Change in net deferred income tax | | |
| 39. Change in nonadmitted assets | 803,566 | (1,500,000) |
| 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..... | | |
| 44. Capital Changes: | | |
| 44.1 Paid in | 0 | 0 |
| 44.2 Transferred from surplus (Stock Dividend)..... | 0 | 0 |
| 44.3 Transferred to surplus..... | | |
| 45. Surplus adjustments: | | |
| 45.1 Paid in | 82,000,000 | 19,989,000 |
| 45.2 Transferred to capital (Stock Dividend) | | |
| 45.3 Transferred from capital | | |
| 46. Dividends to stockholders | | |
| 47. Aggregate write-ins for gains or (losses) in surplus | 0 | 0 |
| 48. Net change in capital and surplus (Lines 34 to 47) | 23,784,569 | (14,663,451) |
| 49. Capital and surplus end of reporting period (Line 33 plus 48) | 33,893,332 | 10,108,763 |
| DETAILS OF WRITE-INS | | |
| 4701. | | |
| 4702. | | |
| 4703. | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above) | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

CASH FLOW

| | 1 | 2 |
|---|--------------|--------------|
| | Current Year | Prior Year |
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance | 95,609,720 | 37,125,988 |
| 2. Net investment income | 490,022 | 171,888 |
| 3. Miscellaneous income | 0 | 0 |
| 4. Total (Lines 1 through 3) | 96,099,742 | 37,297,876 |
| 5. Benefit and loss related payments | 103,150,810 | 34,269,866 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 28,576,935 | 18,426,866 |
| 8. Dividends paid to policyholders | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses) | 0 | 0 |
| 10. Total (Lines 5 through 9) | 131,727,745 | 52,696,732 |
| 11. Net cash from operations (Line 4 minus Line 10) | (35,628,003) | (15,398,856) |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 0 | 0 |
| 12.2 Stocks | 46,610 | 0 |
| 12.3 Mortgage loans | 0 | 0 |
| 12.4 Real estate | 0 | 0 |
| 12.5 Other invested assets | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | 0 | 0 |
| 12.7 Miscellaneous proceeds | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 46,610 | 0 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 569,778 | 14,481,233 |
| 13.2 Stocks | 0 | 747,938 |
| 13.3 Mortgage loans | 0 | 0 |
| 13.4 Real estate | 0 | 0 |
| 13.5 Other invested assets | 0 | 0 |
| 13.6 Miscellaneous applications | 0 | 0 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 569,778 | 15,229,171 |
| 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) | (523,168) | (15,229,171) |
| 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 | 82,000,000 | 19,989,000 |
| 16.3 Borrowed funds | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | 0 | 0 |
| 16.5 Dividends to stockholders | 0 | 0 |
| 16.6 Other cash provided (applied) | (2,709,408) | (3,742,004) |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | 79,290,592 | 16,246,996 |
| 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) | 43,139,421 | (14,381,031) |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year | 24,365,247 | 38,746,278 |
| 19.2 End of year (Line 18 plus Line 19.1) | 67,504,668 | 24,365,247 |

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

| | | |
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| | | |
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ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefits Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Credit A&H | 11 Disability Income | 12 Long-Term Care | 13 Other Health | 14 Other Non-Health |
|---|--------------|---------------------------------------|------------|-----------------------------|------------------|------------------|---|------------------------------|----------------------------|------------------|----------------------------|-------------------------|--------------------|---------------------------|
| | | 2 Individual | 3 Group | | | | | | | | | | | |
| 1. Net premium income | 95,436,087 | | | | | | | 95,436,087 | | | | | | |
| 2. Change in unearned premium reserves and reserve for rate credit | (1,775,931) | | | | | | | (1,775,931) | | | | | | |
| 3. Fee-for-service (net of \$ medical expenses) | 0 | | | | | | | | | | | | | XXX |
| 4. Risk revenue | 0 | | | | | | | | | | | | | XXX |
| 5. Aggregate write-ins for other health care related revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 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 | XXX | XXX | XXX | XXX | 0 |
| 7. Total revenues (Lines 1 to 6) | 93,660,156 | 0 | 0 | 0 | 0 | 0 | 0 | 93,660,156 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Hospital/medical benefits | 107,183,647 | | | | | | | 107,183,647 | | | | | | XXX |
| 9. Other professional services | 0 | | | | | | | | | | | | | XXX |
| 10. Outside referrals | 0 | | | | | | | | | | | | | XXX |
| 11. Emergency room and out-of-area | 0 | | | | | | | | | | | | | XXX |
| 12. Prescription drugs | 292,670 | | | | | | | 292,670 | | | | | | XXX |
| 13. Aggregate write-ins for other hospital and medical incentive pool, withhold adjustments and bonus amounts | 253,160 | | | | | | | 253,160 | | | | | | XXX |
| 15. Subtotal (Lines 8 to 14) | 107,729,477 | 0 | 0 | 0 | 0 | 0 | 0 | 107,729,477 | 0 | 0 | 0 | 0 | 0 | XXX |
| 16. Net reinsurance recoveries | 0 | | | | | | | | | | | | | XXX |
| 17. Total medical and hospital (Lines 15 minus 16) | 107,729,477 | 0 | 0 | 0 | 0 | 0 | 0 | 107,729,477 | 0 | 0 | 0 | 0 | 0 | XXX |
| 18. Non-health claims (net) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 19. Claims adjustment expenses including \$ 6,137,449 cost containment expenses | 7,951,572 | | | | | | | 7,951,572 | | | | | | |
| 20. General administrative expenses | 23,599,922 | | | | | | | 23,599,922 | | | | | | |
| 21. Increase in reserves for accident and health contracts | 14,292,023 | | | | | | | 14,292,023 | | | | | | XXX |
| 22. Increase in reserves for life contracts | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 23. Total underwriting deductions (Lines 17 to 22) | 153,572,994 | 0 | 0 | 0 | 0 | 0 | 0 | 153,572,994 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23) | (59,912,838) | 0 | 0 | 0 | 0 | 0 | 0 | (59,912,838) | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | | | | | |
| 0501. | | | | | | | | | | | | | | XXX |
| 0502. | | | | | | | | | | | | | | XXX |
| 0503. | | | | | | | | | | | | | | XXX |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 0601. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0602. | | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | |
| 0603. | | XXX | XXX | XXX | 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 | XXX | XXX | XXX | XXX | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 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 | 0 | 0 | 0 | 0 | XXX |
| 1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, 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) individual | | | | 0 |
| 2. Comprehensive (hospital and medical) group | | | | 0 |
| 3. Medicare Supplement | | | | 0 |
| 4. Vision only | | | | 0 |
| 5. Dental only | | | | 0 |
| 6. Federal Employees Health Benefits Plan | 0 | | | 0 |
| 7. Title XVIII - Medicare | 95,436,087 | | | 95,436,087 |
| 8. Title XIX - Medicaid | 0 | | | 0 |
| 9. Credit A&H | | | | 0 |
| 10. Disability Income | | | | 0 |
| 11. Long-Term Care | | | | 0 |
| 12. Other health | | | | 0 |
| 13. Health subtotal (Lines 1 through 12) | 95,436,087 | 0 | 0 | 95,436,087 |
| 14. Life | 0 | | | 0 |
| 15. Property/casualty | 0 | | | 0 |
| 16. Totals (Lines 13 to 15) | 95,436,087 | 0 | 0 | 95,436,087 |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefits Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Credit A&H | 11 Disability Income | 12 Long-Term Care | 13 Other Health | 14 Other Non-Health |
|---|-------------|---------------------------------------|------------|-----------------------------|------------------|------------------|--|------------------------------|----------------------------|------------------|----------------------------|-------------------------|--------------------|---------------------------|
| | | 2 Individual | 3 Group | | | | | | | | | | | |
| 1. Payments during the year: | | | | | | | | | | | | | | |
| 1.1 Direct | 103,024,230 | | | | | | | 103,024,230 | | | | | | |
| 1.2 Reinsurance assumed | 0 | | | | | | | | | | | | | |
| 1.3 Reinsurance ceded | 0 | | | | | | | | | | | | | |
| 1.4 Net | 103,024,230 | 0 | 0 | 0 | 0 | 0 | 0 | 103,024,230 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Paid medical incentive pools and bonuses | 126,580 | | | | | | | 126,580 | | | | | | |
| 3. Claim liability December 31, current year from Part 2A: | | | | | | | | | | | | | | |
| 3.1 Direct | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3.4 Net | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Claim reserve December 31, current year from Part 2D: | | | | | | | | | | | | | | |
| 4.1 Direct | 0 | | | | | | | | | | | | | |
| 4.2 Reinsurance assumed | 0 | | | | | | | | | | | | | |
| 4.3 Reinsurance ceded | 0 | | | | | | | | | | | | | |
| 4.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5. Accrued medical incentive pools and bonuses, current year | 126,580 | | | | | | | 126,580 | | | | | | |
| 6. Net health care receivables (a) | 6,593,824 | | | | | | | 6,593,824 | | | | | | |
| 7. Amounts recoverable from reinsurers December 31, current year | 0 | | | | | | | | | | | | | |
| 8. Claim liability December 31, prior year from Part 2A: | | | | | | | | | | | | | | |
| 8.1 Direct | 6,075,776 | 0 | 0 | 0 | 0 | 0 | 0 | 6,075,776 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8.4 Net | 6,075,776 | 0 | 0 | 0 | 0 | 0 | 0 | 6,075,776 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. Claim reserve December 31, prior year from Part 2D: | | | | | | | | | | | | | | |
| 9.1 Direct | 0 | | | | | | | | | | | | | |
| 9.2 Reinsurance assumed | 0 | | | | | | | | | | | | | |
| 9.3 Reinsurance ceded | 0 | | | | | | | | | | | | | |
| 9.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Accrued medical incentive pools and bonuses, prior year | 0 | | | | | | | | | | | | | |
| 11. Amounts recoverable from reinsurers December 31, prior year | 0 | | | | | | | | | | | | | |
| 12. Incurred Benefits: | | | | | | | | | | | | | | |
| 12.1 Direct | 107,476,317 | 0 | 0 | 0 | 0 | 0 | 0 | 107,476,317 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12.4 Net | 107,476,317 | 0 | 0 | 0 | 0 | 0 | 0 | 107,476,317 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Incurred medical incentive pools and bonuses | 253,160 | 0 | 0 | 0 | 0 | 0 | 0 | 253,160 | 0 | 0 | 0 | 0 | 0 | 0 |

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefits Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Credit A&H | 11 Disability Income | 12 Long-Term Care | 13 Other Health | 14 Other Non-Health |
|--|------------|---------------------------------------|------------|-----------------------------|------------------|------------------|--|------------------------------|----------------------------|------------------|----------------------------|-------------------------|--------------------|---------------------------|
| | | 2 Individual | 3 Group | | | | | | | | | | | |
| 1. Reported in Process of Adjustment: | | | | | | | | | | | | | | |
| 1.1 Direct | 3,226,094 | | | | | | | 3,226,094 | | | | | | |
| 1.2 Reinsurance assumed | 0 | | | | | | | | | | | | | |
| 1.3 Reinsurance ceded | 0 | | | | | | | | | | | | | |
| 1.4 Net | 3,226,094 | 0 | 0 | 0 | 0 | 0 | 0 | 3,226,094 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Incurred but Unreported: | | | | | | | | | | | | | | |
| 2.1 Direct | 13,895,593 | | | | | | | 13,895,593 | | | | | | |
| 2.2 Reinsurance assumed | 0 | | | | | | | | | | | | | |
| 2.3 Reinsurance ceded | 0 | | | | | | | | | | | | | |
| 2.4 Net | 13,895,593 | 0 | 0 | 0 | 0 | 0 | 0 | 13,895,593 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Amounts Withheld from Paid Claims and Capitations: | | | | | | | | | | | | | | |
| 3.1 Direct | 0 | | | | | | | | | | | | | |
| 3.2 Reinsurance assumed | 0 | | | | | | | | | | | | | |
| 3.3 Reinsurance ceded | 0 | | | | | | | | | | | | | |
| 3.4 Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. TOTALS: | | | | | | | | | | | | | | |
| 4.1 Direct | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.2 Reinsurance assumed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.3 Reinsurance ceded | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4.4 Net | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 | 17,121,687 | 0 | 0 | 0 | 0 | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, 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 | 2 | 3 | 4 | | |
| | On Claims Incurred Prior to January 1 of Current Year | On Claims Incurred During the Year | On Claims Unpaid December 31 of Prior Year | On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical) individual | | | | | 0 | 0 |
| 2. Comprehensive (hospital and medical) group | | | | | 0 | 0 |
| 3. Medicare Supplement | | | | | 0 | 0 |
| 4. Vision Only | | | | | 0 | 0 |
| 5. Dental Only | | | | | 0 | 0 |
| 6. Federal Employees Health Benefits Plan | | | | | 0 | 0 |
| 7. Title XVIII - Medicare | 5,536,690 | 97,487,540 | 676,478 | 16,445,209 | 6,213,168 | 6,075,776 |
| 8. Title XIX - Medicaid | | | | | 0 | 0 |
| 9. Credit A&H | | | | | 0 | 0 |
| 10. Disability Income | | | | | 0 | 0 |
| 11. Long-Term Care | | | | | 0 | 0 |
| 12. Other health | | | | | 0 | 0 |
| 13. Health subtotal (Lines 1 to 12) | 5,536,690 | 97,487,540 | 676,478 | 16,445,209 | 6,213,168 | 6,075,776 |
| 14. Health care receivables (a) | | 8,355,409 | | | 0 | 1,761,585 |
| 15. Other non-health | | | | | 0 | 0 |
| 16. Medical incentive pools and bonus amounts | 126,580 | | | 126,580 | 126,580 | 0 |
| 17. Totals (Lines 13 - 14 + 15 + 16) | 5,663,270 | 89,132,131 | 676,478 | 16,571,789 | 6,339,748 | 4,314,191 |

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Title XVIII

| Year in Which Losses Were Incurred | Cumulative Net Amounts Paid | | | | |
|------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
| | 1 2019 | 2 2020 | 3 2021 | 4 2022 | 5 2023 |
| 1. Prior | 0 | 0 | 0 | 0 | |
| 2. 2019 | | | | | |
| 3. 2020 | XXX | | | | |
| 4. 2021 | XXX | XXX | | | |
| 5. 2022 | XXX | XXX | XXX | 32,508 | 38,171 |
| 6. 2023 | XXX | XXX | XXX | XXX | 97,488 |

Section B - Incurred Health Claims - Title XVIII

| Year in Which Losses Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year | | | | |
|------------------------------------|--|-----------|-----------|-----------|-----------|
| | 1 2019 | 2 2020 | 3 2021 | 4 2022 | 5 2023 |
| 1. Prior | 0 | 0 | 0 | 0 | |
| 2. 2019 | | | | | |
| 3. 2020 | XXX | | | | |
| 4. 2021 | XXX | XXX | | | |
| 5. 2022 | XXX | XXX | XXX | 38,584 | 38,848 |
| 6. 2023 | XXX | XXX | XXX | XXX | 114,059 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|----------------------|---------------------|--|----------------------------|---|----------------------------|--------------------|--|---|-----------------------------|
| 1. 2019 | | | | 0.0 | 0 | 0.0 | | | 0 | 0.0 |
| 2. 2020 | | | | 0.0 | 0 | 0.0 | | | 0 | 0.0 |
| 3. 2021 | | | | 0.0 | 0 | 0.0 | | | 0 | 0.0 |
| 4. 2022 | 37,902 | 38,171 | 3,752 | 9.8 | 41,923 | 110.6 | 676 | 104 | 42,703 | 112.7 |
| 5. 2023 | 93,660 | 97,488 | 6,425 | 6.6 | 103,913 | 110.9 | 16,572 | 791 | 121,276 | 129.5 |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, 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 2019 | 2 2020 | 3 2021 | 4 2022 | 5 2023 |
| 1. Prior | 0 | 0 | 0 | 0 | 0 |
| 2. 2019 | 0 | 0 | 0 | 0 | 0 |
| 3. 2020 | XXX | 0 | 0 | 0 | 0 |
| 4. 2021 | XXX | XXX | 0 | 0 | 0 |
| 5. 2022 | XXX | XXX | XXX | 32,508 | 38,171 |
| 6. 2023 | XXX | XXX | XXX | XXX | 97,488 |

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 2019 | 2 2020 | 3 2021 | 4 2022 | 5 2023 |
| 1. Prior | 0 | 0 | 0 | 0 | 0 |
| 2. 2019 | 0 | 0 | 0 | 0 | 0 |
| 3. 2020 | XXX | 0 | 0 | 0 | 0 |
| 4. 2021 | XXX | XXX | 0 | 0 | 0 |
| 5. 2022 | XXX | XXX | XXX | 38,584 | 38,848 |
| 6. 2023 | XXX | XXX | XXX | XXX | 114,059 |

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

| Years in which Premiums were Earned and Claims were Incurred | 1 Premiums Earned | 2 Claims Payment | 3 Claim Adjustment Expense Payments | 4 (Col. 3/2) Percent | 5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3) | 6 (Col. 5/1) Percent | 7 Claims Unpaid | 8 Unpaid Claims Adjustment Expenses | 9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8) | 10 (Col. 9/1) Percent |
|--|----------------------|---------------------|--|----------------------------|---|----------------------------|--------------------|--|---|-----------------------------|
| 1. 2019 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 2. 2020 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 3. 2021 | 0 | 0 | 0 | 0.0 | 0 | 0.0 | 0 | 0 | 0 | 0.0 |
| 4. 2022 | 37,902 | 38,171 | 3,752 | 9.8 | 41,923 | 110.6 | 676 | 104 | 42,703 | 112.7 |
| 5. 2023 | 93,660 | 97,488 | 6,425 | 6.6 | 103,913 | 110.9 | 16,572 | 791 | 121,276 | 129.5 |

12.GT

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefits Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Credit A&H | 11 Disability Income | 12 Long-Term Care | 13 Other |
|---|------------|---------------------------------------|------------|-----------------------------|------------------|------------------|--|------------------------------|----------------------------|------------------|----------------------------|-------------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | | | | |
| 1. Unearned premium reserves | 0 | | | | | | | | | | | | |
| 2. Additional policy reserves (a) | 35,770,566 | | | | | | | 35,770,566 | | | | | |
| 3. Reserve for future contingent benefits | 0 | | | | | | | | | | | | |
| 4. Reserve for rate credits or experience rating refunds (including \$ for investment income) .. | 1,775,931 | | | | | | | 1,775,931 | | | | | |
| 5. Aggregate write-ins for other policy reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Totals (gross) | 37,546,497 | 0 | 0 | 0 | 0 | 0 | 0 | 37,546,497 | 0 | 0 | 0 | 0 | 0 |
| 7. Reinsurance ceded | 0 | | | | | | | | | | | | |
| 8. Totals (Net)(Page 3, Line 4) | 37,546,497 | 0 | 0 | 0 | 0 | 0 | 0 | 37,546,497 | 0 | 0 | 0 | 0 | 0 |
| 9. Present value of amounts not yet due on claims | 0 | | | | | | | | | | | | |
| 10. Reserve for future contingent benefits | 0 | | | | | | | | | | | | |
| 11. Aggregate write-ins for other claim reserves | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Totals (gross) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Reinsurance ceded | 0 | | | | | | | | | | | | |
| 14. Totals (Net)(Page 3, Line 7) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DETAILS OF WRITE-INS | | | | | | | | | | | | | |
| 0501. | | | | | | | | | | | | | |
| 0502. | | | | | | | | | | | | | |
| 0503. | | | | | | | | | | | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1101. | | | | | | | | | | | | | |
| 1102. | | | | | | | | | | | | | |
| 1103. | | | | | | | | | | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Includes \$35,770,566 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

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) | | | 174,397 | | 174,397 |
| 2. Salary, wages and other benefits | 2,924,532 | 1,088,474 | 7,511,601 | | 11,524,607 |
| 3. Commissions (less \$ ceded plus \$ assumed) | | | 5,344,773 | | 5,344,773 |
| 4. Legal fees and expenses | | | 141,023 | | 141,023 |
| 5. Certifications and accreditation fees | | | | | 0 |
| 6. Auditing, actuarial and other consulting services ... | 277,024 | | 717,836 | | 994,860 |
| 7. Traveling expenses | | | 71,238 | | 71,238 |
| 8. Marketing and advertising | 75,398 | | 2,680,857 | | 2,756,255 |
| 9. Postage, express and telephone | 732 | | 303,349 | | 304,081 |
| 10. Printing and office supplies | | | 1,650,118 | | 1,650,118 |
| 11. Occupancy, depreciation and amortization | | | | | 0 |
| 12. Equipment | | | | | 0 |
| 13. Cost or depreciation of EDP equipment and software | 270,000 | | 894,021 | | 1,164,021 |
| 14. Outsourced services including EDP, claims, and other services | 1,949,687 | 725,649 | 2,998,251 | | 5,673,587 |
| 15. Boards, bureaus and association fees | | | 1,485 | | 1,485 |
| 16. Insurance, except on real estate | | | | | 0 |
| 17. Collection and bank service charges | | | | 9,120 | 9,120 |
| 18. Group service and administration fees | | | | | 0 |
| 19. Reimbursements by uninsured plans | | | | | 0 |
| 20. Reimbursements from fiscal intermediaries | | | | | 0 |
| 21. Real estate expenses | | | | | 0 |
| 22. Real estate taxes | | | | | 0 |
| 23. Taxes, licenses and fees: | | | | | |
| 23.1 State and local insurance taxes | | | | | 0 |
| 23.2 State premium taxes | | | | | 0 |
| 23.3 Regulatory authority licenses and fees | | | 436 | | 436 |
| 23.4 Payroll taxes | | | 8,783 | | 8,783 |
| 23.5 Other (excluding federal income and real estate taxes) | | | | | 0 |
| 24. Investment expenses not included elsewhere | | | | | 0 |
| 25. Aggregate write-ins for expenses | 640,076 | 0 | 1,101,754 | 0 | 1,741,830 |
| 26. Total expenses incurred (Lines 1 to 25) | 6,137,449 | 1,814,123 | 23,599,922 | 9,120 | (a) 31,560,614 |
| 27. Less expenses unpaid December 31, current year | 670,660 | 223,553 | 4,553,789 | | 5,448,002 |
| 28. Add expenses unpaid December 31, prior year | 199,924 | 60,138 | 1,906,242 | | 2,166,304 |
| 29. Amounts receivable relating to uninsured plans, prior year | | | | | 0 |
| 30. Amounts receivable relating to uninsured plans, current year | | | | | 0 |
| 31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30) | 5,666,713 | 1,650,708 | 20,952,375 | 9,120 | 28,278,916 |
| DETAILS OF WRITE-INS | | | | | |
| 2501. Miscellaneous expenses | 640,076 | | 1,101,754 | | 1,741,830 |
| 2502. | | | | | |
| 2503. | | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 640,076 | 0 | 1,101,754 | 0 | 1,741,830 |

(a) Includes management fees of \$ 31,560,614 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

| | 1 | 2 |
|---|-----------------------|--------------------|
| | Collected During Year | Earned During Year |
| 1. U.S. government bonds | (a) 0 | 0 |
| 1.1 Bonds exempt from U.S. tax | (a) | |
| 1.2 Other bonds (unaffiliated) | (a) 433,636 | 433,636 |
| 1.3 Bonds of affiliates | (a) 0 | 0 |
| 2.1 Preferred stocks (unaffiliated) | (b) 0 | 0 |
| 2.11 Preferred stocks of affiliates | (b) 0 | 0 |
| 2.2 Common stocks (unaffiliated) | 15,827 | 15,827 |
| 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) 49,679 | 49,679 |
| 7. Derivative instruments | (f) 0 | 0 |
| 8. Other invested assets | 0 | 0 |
| 9. Aggregate write-ins for investment income | 0 | 0 |
| 10. Total gross investment income | 499,142 | 499,142 |
| 11. Investment expenses | | (g) 9,120 |
| 12. Investment taxes, licenses and fees, excluding federal income taxes | | (g) 0 |
| 13. Interest expense | | (h) 0 |
| 14. Depreciation on real estate and other invested assets | | (i) 0 |
| 15. Aggregate write-ins for deductions from investment income | | 0 |
| 16. Total deductions (Lines 11 through 15) | | 9,120 |
| 17. Net investment income (Line 10 minus Line 16) | | 490,022 |
| DETAILS OF WRITE-INS | | |
| 0901. | | |
| 0902. | | |
| 0903. | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | 0 | 0 |
| 1501. | | |
| 1502. | | |
| 1503. | | |
| 1598. Summary of remaining write-ins for Line 15 from overflow page | | 0 |
| 1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) | | 0 |

- (a) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 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 \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 9,120 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 | 2 | 3 | 4 | 5 |
|--|--|-------------------------------|--|--|---|
| | Realized Gain (Loss) On Sales or Maturity | Other Realized Adjustments | Total Realized Capital Gain (Loss) (Columns 1 + 2) | Change in Unrealized Capital Gain (Loss) | Change in Unrealized Foreign Exchange Capital Gain (Loss) |
| 1. U.S. Government bonds | 0 | 0 | 0 | 0 | 0 |
| 1.1 Bonds exempt from U.S. tax | | | | | |
| 1.2 Other bonds (unaffiliated) | 0 | 0 | 0 | 344,175 | 0 |
| 1.3 Bonds of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.1 Preferred stocks (unaffiliated) | 0 | 0 | 0 | 0 | 0 |
| 2.11 Preferred stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 2.2 Common stocks (unaffiliated) | 3,798 | 0 | 3,798 | 136,951 | 0 |
| 2.21 Common stocks of affiliates | 0 | 0 | 0 | 0 | 0 |
| 3. Mortgage loans | 0 | 0 | 0 | 0 | 0 |
| 4. Real estate | 0 | 0 | 0 | 0 | 0 |
| 5. Contract loans | 0 | 0 | 0 | 0 | 0 |
| 6. Cash, cash equivalents and short-term investments | 0 | 0 | 0 | 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 | 0 | 0 |
| 10. Total capital gains (losses) | 3,798 | 0 | 3,798 | 481,126 | 0 |
| DETAILS OF WRITE-INS | | | | | |
| 0901. | | | | | |
| 0902. | | | | | |
| 0903. | | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | 0 | 0 | 0 | 0 | 0 |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | 0 | 0 | 0 | 0 | 0 |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

EXHIBIT OF NON-ADMITTED ASSETS

| | 1 | 2 | 3 |
|---|--|--|--|
| | Current Year Total Nonadmitted Assets | Prior Year Total Nonadmitted Assets | Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
| 1. Bonds (Schedule D) | | | 0 |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks | | | 0 |
| 2.2 Common stocks | | | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens | | | 0 |
| 3.2 Other than first liens..... | | | 0 |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company | | | 0 |
| 4.2 Properties held for the production of income..... | | | 0 |
| 4.3 Properties held for sale | | | 0 |
| 5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) | | | 0 |
| 6. Contract loans | | | 0 |
| 7. Derivatives (Schedule DB) | | | 0 |
| 8. Other invested assets (Schedule BA) | | | 0 |
| 9. Receivables for securities | | | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL) | | | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 0 | 0 | 0 |
| 13. Title plants (for Title insurers only) | | | 0 |
| 14. Investment income due and accrued | | | 0 |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | | | 0 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .. | | | 0 |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination | | | 0 |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers | | | 0 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 |
| 17. Amounts receivable relating to uninsured plans | | | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 |
| 18.2 Net deferred tax asset | | | 0 |
| 19. Guaranty funds receivable or on deposit | | | 0 |
| 20. Electronic data processing equipment and software | 3,000,000 | 4,000,000 | 1,000,000 |
| 21. Furniture and equipment, including health care delivery assets | | | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 |
| 23. Receivable from parent, subsidiaries and affiliates | | | 0 |
| 24. Health care and other amounts receivable | 145,684 | | (145,684) |
| 25. Aggregate write-ins for other than invested assets | 50,750 | 0 | (50,750) |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 3,196,434 | 4,000,000 | 803,566 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 |
| 28. Total (Lines 26 and 27) | 3,196,434 | 4,000,000 | 803,566 |
| DETAILS OF WRITE-INS | | | |
| 1101. | | | |
| 1102. | | | |
| 1103. | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | 0 | 0 | 0 |
| 2501. Prepaid Assets | 50,750 | | (50,750) |
| 2502. | | | |
| 2503. | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 50,750 | 0 | (50,750) |

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 | 436 | 651 | 678 | 699 | 666 | 7,227 |
| 2. Provider Service Organizations | | | | | | |
| 3. Preferred Provider Organizations | 4,305 | 9,873 | 10,399 | 11,013 | 11,040 | 117,691 |
| 4. Point of Service | | | | | | |
| 5. Indemnity Only | | | | | | |
| 6. Aggregate write-ins for other lines of business..... | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Total | 4,741 | 10,524 | 11,077 | 11,712 | 11,706 | 124,918 |
| DETAILS OF WRITE-INS | | | | | | |
| 0601. | | | | | | |
| 0602. | | | | | | |
| 0603. | | | | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page | 0 | 0 | 0 | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above) | 0 | 0 | 0 | 0 | 0 | 0 |

NOTES TO FINANCIAL STATEMENTS

NOTE 1 Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Wellmark Advantage Health Plan, Inc. (WMA) are presented on the basis of accounting practices required by the Iowa Insurance Division (IID).

WMA was incorporated on January 12, 2021 to provide Blue Cross Blue Shield branded Medicare Advantage medical insurance products in the state of Iowa and South Dakota. WMA held the first Medicare Advantage medical enrollment period in the fourth quarter of 2021 and began to offer Medicare Advantage health plans with the plan year beginning January 2022.

The IID has adopted the National Association of Insurance Commissioners' Accounting Practices and Procedures Manual (NAIC) Accounting Practices and Procedures Manual and the related NAIC Annual Statement Instructions (NAIC SAP) for determining and reporting the financial condition and results of operations of an insurance company. The IID requires the use of NAIC SAP to the extent that practices, procedures, and reporting standards are not modified by the Iowa Insurance Code. As of December 31, 2023 and December 31, 2022, WMA prepared its statutory-basis financial statements in accordance with NAIC SAP and had no prescribed or permitted practices that differed from NAIC SAP.

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

| | SSAP # | F/S Page | F/S Line # | 2023 | 2022 |
|---|--------|-------------|---------------|-----------------|-----------------|
| NET INCOME | | | | | |
| (1) State basis (Page 4, Line 32, Columns 2 & 3) | XXX | XXX | XXX | \$ (59,500,123) | \$ (32,168,026) |
| (2) State Prescribed Practices that are an increase/ (decrease) from NAIC SAP: | | | | | |
| (3) State Permitted Practices that are an increase/(decrease) from NAIC SAP: | | | | | |
| (4) NAIC SAP (1-2-3=4) | XXX | XXX | XXX | \$ (59,500,123) | \$ (32,168,026) |
| SURPLUS | | | | | |
| (5) State basis (Page 3, Line 33, Columns 3 & 4) | XXX | XXX | XXX | \$ 33,893,332 | \$ 10,108,763 |
| (6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP: | | | | | |
| (7) State Permitted Practices that are an increase/(decrease) from NAIC SAP: | | | | | |
| (8) NAIC SAP (5-6-7=8) | XXX | XXX | XXX | \$ 33,893,332 | \$ 10,108,763 |

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

The preparation of statutory-basis financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the statutory-basis financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The most significant estimate includes liabilities for unpaid claims, specifically IBNR and the liability for premium deficiency reserves.

C. Accounting Policy

Revenues – Premiums, which generally are billed in advance, are recognized as revenue during the respective periods of coverage. Premiums applicable to the unexpired portion of coverage are reflected in the accompanying statutory-basis statements of Admitted Assets, Liabilities, Capital and Surplus as Aggregate health policy reserves. Premiums received in advance of the billing due date are recorded as premiums received in advance.

(1) Cash Equivalents and Short-term investments - include commercial paper, certificates of deposits, money market mutual funds and other readily marketable investments with initial maturities less than one year for short-term investments and three months or less for cash equivalents. In general, cash equivalents and short-term investments are recorded at amortized cost, which approximates market value. Money market mutual funds are recorded at fair value or net asset value (NAV) per share.

(2) Bonds not backed by other loans - that have a NAIC designation of one or two are stated at amortized cost using the scientific effective interest method. Bonds with a NAIC designation of three to six are carried at the lower of amortized cost or fair market value. WMA has not elected to use the Systematic approach for their SVO identified investments.

(3) Common stocks - stated at fair value. Changes in unrealized appreciation and depreciation in the value of common stocks are reflected as direct increases or decreases in surplus.

(4) Preferred stocks - NOT APPLICABLE

(5) Mortgage loans on real estate - NOT APPLICABLE

(6) Loan-backed securities - NOT APPLICABLE

(7) Investments in subsidiaries, controlled and affiliated entities - NOT APPLICABLE

(8) Investments in joint ventures, partnerships and limited liability companies - NOT APPLICABLE

(9) Derivatives - NOT APPLICABLE

(10) Investment income in premium deficiency calculation - WMA did not use anticipated investment income as part of the premium deficiency actuarial estimate calculation.

(11) Claims unpaid - The claims unpaid liability for incurred but unpaid and unreported claims is accrued in the period during which the services are provided and includes actuarial estimates of services performed that have incurred but not reported to WMA by providers. Such estimates are based on historical claims experience modified for current trends and changes in benefits provided. Revisions in actuarial estimates are reported in the period in which they arise. Processing expense related to unpaid claims is accrued based on an estimate of cost to process such claims.

(12) Fixed asset capitalization - WMA had no change in its fixed asset capitalization policy from the prior period.

NOTES TO FINANCIAL STATEMENTS

(13) Pharmaceutical rebate receivables - WMA receives pharmaceutical rebates from third-party pharmacy benefit managers. Rebate accruals are calculated using recent history of rebates received to develop an estimate.

D. Going Concern

Management has evaluated WMA's ability to continue as a going concern and does not have any substantial doubt about WMA's ability to continue as a going concern.

NOTE 2 Accounting Changes and Corrections of Errors

During the first quarter of 2023, and subsequent to the submission of WMA's annual statement for the year ended December 31, 2022, the Company made a reclassification affecting the Statement of Admitted Assets, Liabilities, and Capital and Surplus and the Statement of Cash Flows resulting from an understatement of cash, an overstatement of amounts receivable related to uninsured plans, and an overstatement of general expenses due or accrued. The reclassification resulted in a \$2,031,876 decrease in admitted assets and a \$2,031,876 decrease in general expenses due and accrued. The reclassification has no impact to net income or total surplus for the year ended December 31, 2022.

The effect of the reclassification to the Statement of Admitted Assets, Liabilities, and Capital and Surplus, the Statement of Revenues and Expenses, and the Statement of Cash Flows for the year ended December 31, 2022 is as follows:

| | As Presented in Audited Report | Health Annual Statement | Change |
|--|---|----------------------------|-------------|
| STATEMENT OF ADMITTED ASSETS, LIABILITIES, AND CAPITAL AND SURPLUS: | | | |
| Cash and cash equivalents | 24,365,247 | 24,329,426 | 35,821 |
| Amounts receivable related to uninsured plans | 2,822,626 | 4,890,323 | (2,067,697) |
| Total admitted assets | 45,241,737 | 47,273,613 | (2,031,876) |
| General expenses due or accrued | 1,906,242 | 3,938,118 | (2,031,876) |
| Total liabilities | 35,132,974 | 37,164,850 | (2,031,876) |
| Total capital and surplus | 10,108,763 | 10,108,763 | - |
| STATEMENT OF CASH FLOWS: | | | |
| Net cash used by operations | (15,398,856) | (15,434,677) | 35,821 |
| Net decrease in cash and cash equivalents | (14,381,031) | (14,416,852) | 35,821 |
| Cash and cash equivalents - end of year | 24,365,247 | 24,329,426 | 35,821 |
| STATEMENT OF REVENUE AND EXPENSES: | | | |
| Net Loss | (32,168,026) | (32,168,026) | - |

NOTE 3 Business Combinations and Goodwill

NOT APPLICABLE

NOTE 4 Discontinued Operations

NOT APPLICABLE

NOTE 5 Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans
Not applicable
- B. Debt Restructuring
Not applicable
- C. Reverse Mortgages
Not applicable
- D. Loan-Backed Securities
Not applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions
Not applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing
Not applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing
Not applicable

NOTES TO FINANCIAL STATEMENTS

- H. Repurchase Agreements Transactions Accounted for as a Sale
Not applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
Not applicable
- J. Real Estate
Not applicable
- K. Low Income Housing tax Credits (LIHTC)
Not applicable
- L. Restricted Assets
Not applicable
- M. Working Capital Finance Investments
Not applicable
- N. Offsetting and Netting of Assets and Liabilities
Not applicable
- O. 5GI Securities
Not applicable
- P. Short Sales
Not applicable
- Q. Prepayment Penalty and Acceleration Fees
Not applicable
- R. Reporting Entity's Share of Cash Pool by Asset Type
Not applicable

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies

NOT APPLICABLE

NOTE 7 Investment Income

- A. WMA non-admits investment income due and accrued if the amounts are over 90 days past due.
- B. WMA admitted all accrued investment income as of December 31, 2023 and 2022.
- C. The gross, nonadmitted and admitted amounts for interest income due and accrued.

| Interest Income Due and Accrued | Amount |
|---------------------------------|--------|
| 1. Gross | |
| 2. Nonadmitted | |
| 3. Admitted | \$ - |

- D. The aggregate deferred interest.

| Aggregate Deferred Interest | Amount |
|-----------------------------|--------|
| | \$ - |

- E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance.

| Cumulative amounts of PIK interest included in the current principal balance | Amount |
|--|--------|
| | \$ - |

NOTE 8 Derivative Instruments

NOT APPLICABLE

NOTE 9 Income Taxes

The income tax provision is calculated under the liability method. Deferred tax assets and liabilities are recorded based on the difference between the statutory financial statement and tax bases of assets and liabilities at the enacted rates. The net change in deferred tax assets and liabilities is applied directly to unassigned deficit. The nonadmitted portion of a net deferred tax asset is determined by applying the rules prescribed by Statement of Statutory Accounting Principles (SSAP) No. 101, Income Taxes.

- A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability) at December 31 are as follows:

| | 12/31/2023 | | | 12/31/2022 | | | Change | | |
|---|-----------------|----------------|------------------------------|-----------------|----------------|------------------------------|---------------------------------|--------------------------------|------------------------------|
| | (1) Ordinary | (2) Capital | (3) (Col. 1 + 2) Total | (4) Ordinary | (5) Capital | (6) (Col. 4 + 5) Total | (7) (Col. 1 - 4) Ordinary | (8) (Col. 2 - 5) Capital | (9) (Col. 7 + 8) Total |
| (a) Gross Deferred Tax Assets | \$25,030,878 | \$ 105,693 | \$25,136,571 | \$12,494,036 | \$ 206,729 | \$12,700,765 | \$12,536,842 | \$ (101,036) | \$12,435,806 |
| (b) Statutory Valuation Allowance Adjustment | \$23,980,878 | \$ 105,693 | \$24,086,571 | \$11,654,036 | \$ 206,729 | \$11,860,765 | \$12,326,842 | \$ (101,036) | \$12,225,806 |
| (c) Adjusted Gross Deferred Tax Assets (1a - 1b) | \$ 1,050,000 | \$ - | \$ 1,050,000 | \$ 840,000 | \$ - | \$ 840,000 | \$ 210,000 | \$ - | \$ 210,000 |
| (d) Deferred Tax Assets Nonadmitted | | | \$ - | | | \$ - | \$ - | \$ - | \$ - |
| (e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d) | \$ 1,050,000 | \$ - | \$ 1,050,000 | \$ 840,000 | \$ - | \$ 840,000 | \$ 210,000 | \$ - | \$ 210,000 |

NOTES TO FINANCIAL STATEMENTS

| | | | | | | | | | |
|---|--------------|------|--------------|------------|------|------------|------------|------|------------|
| (f) Deferred Tax Liabilities | \$ 1,050,000 | | \$ 1,050,000 | \$ 840,000 | | \$ 840,000 | \$ 210,000 | \$ - | \$ 210,000 |
| (g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

2. Admission Calculation Components SSAP No. 101

| | 12/31/2023 | | | 12/31/2022 | | | Change | | |
|---|-----------------|----------------|------------------------------|-----------------|----------------|------------------------------|---------------------------------|--------------------------------|------------------------------|
| | (1) Ordinary | (2) Capital | (3) (Col. 1 + 2) Total | (4) Ordinary | (5) Capital | (6) (Col. 4 + 5) Total | (7) (Col. 1 - 4) Ordinary | (8) (Col. 2 - 5) Capital | (9) (Col. 7 + 8) Total |
| (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 Lesser of 2(b)1 and 2(b)2 Below) | | | \$ - | | | \$ - | \$ - | \$ - | \$ - |
| 1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date. | | | \$ - | | | \$ - | \$ - | \$ - | \$ - |
| 2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold. | XXX | XXX | | XXX | XXX | | XXX | XXX | \$ - |
| (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. | \$ 1,050,000 | \$ - | \$ 1,050,000 | \$ 840,000 | | \$ 840,000 | \$ 210,000 | \$ - | \$ 210,000 |
| (d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c)) | \$ 1,050,000 | \$ - | \$ 1,050,000 | \$ 840,000 | \$ - | \$ 840,000 | \$ 210,000 | \$ - | \$ 210,000 |

Under the Federal Internal Revenue Code, ordinary losses can be carried back two years and capital losses can be carried back three years for nonlife companies.

3. Other Admissibility Criteria

| | 2023 | 2022 |
|--|---------|---------|
| a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount. | 15.000% | 15.000% |
| b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above. | \$ - | \$ - |

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

| | 12/31/2023 | | 12/31/2022 | | Change | |
|--|-----------------|----------------|-----------------|----------------|---------------------------------|--------------------------------|
| | (1) Ordinary | (2) Capital | (3) Ordinary | (4) Capital | (5) (Col. 1 - 3) Ordinary | (6) (Col. 2 - 4) Capital |
| 1. Adjusted Gross DTAs amount from Note 9A1 (c) | \$ 1,050,000 | \$ - | \$ 840,000 | \$ - | \$ 210,000 | \$ - |
| 2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |
| 3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e) | \$ 1,050,000 | \$ - | \$ 840,000 | \$ - | \$ 210,000 | \$ - |
| 4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% | 0.000% |

b. Do the Company's tax-planning strategies include the use of reinsurance? Yes [] No [X]

B. Unrecognized Deferred Tax Liabilities

NOT APPLICABLE - In 2023, there are no temporary differences for which a deferred tax liability has not been established.

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

| | (1) 12/31/2023 | (2) 12/31/2022 | (3) (Col. 1 - 2) Change |
|---|-------------------|-------------------|-------------------------------|
| 1. Current Income Tax | | | |
| (a) Federal | | | \$ - |
| (b) Foreign | | | \$ - |
| (c) Subtotal (1a+1b) | \$ - | \$ - | \$ - |
| (d) Federal income tax on net capital gains | | | \$ - |
| (e) Utilization of capital loss carry-forwards | | | \$ - |
| (f) Other | | | \$ - |
| (g) Federal and foreign income taxes incurred (1c+1d+1e+1f) | \$ - | \$ - | \$ - |
| 2. Deferred Tax Assets: | | | |
| (a) Ordinary: | | | |
| (1) Discounting of unpaid losses | \$ 54,455 | \$ 17,528 | \$ 36,927 |
| (2) Unearned premium reserve | \$ 3,302 | \$ 1,709 | \$ 1,593 |
| (3) Policyholder reserves | \$ 7,511,819 | \$ 4,510,494 | \$ 3,001,325 |
| (4) Investments | | | \$ - |
| (5) Deferred acquisition costs | | | \$ - |
| (6) Policyholder dividends accrual | | | \$ - |
| (7) Fixed assets | \$ 1,050,000 | \$ 840,000 | \$ 210,000 |
| (8) Compensation and benefits accrual | | | \$ - |
| (9) Pension accrual | | | \$ - |
| (10) Receivables - nonadmitted | | | \$ - |

NOTES TO FINANCIAL STATEMENTS

| | | | |
|--|---------------|---------------|---------------|
| (11) Net operating loss carry-forward | \$ 15,688,500 | \$ 7,124,027 | \$ 8,564,473 |
| (12) Tax credit carry-forward | | | \$ - |
| (13) Other | \$ 722,802 | \$ 278 | \$ 722,524 |
| (99) Subtotal (sum of 2a1 through 2a13) | \$ 25,030,878 | \$ 12,494,036 | \$ 12,536,842 |
| (b) Statutory valuation allowance adjustment | \$ 23,980,878 | \$ 11,654,036 | \$ 12,326,842 |
| (c) Nonadmitted | | | \$ - |
| (d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c) | \$ 1,050,000 | \$ 840,000 | \$ 210,000 |
| (e) Capital: | | | |
| (1) Investments | \$ 105,693 | \$ 206,729 | \$ (101,036) |
| (2) Net capital loss carry-forward | | | \$ - |
| (3) Real estate | | | \$ - |
| (4) Other | | | \$ - |
| (99) Subtotal (2e1+2e2+2e3+2e4) | \$ 105,693 | \$ 206,729 | \$ (101,036) |
| (f) Statutory valuation allowance adjustment | \$ 105,693 | \$ 206,729 | \$ (101,036) |
| (g) Nonadmitted | | | \$ - |
| (h) Admitted capital deferred tax assets (2e99 - 2f - 2g) | \$ - | \$ - | \$ - |
| (i) Admitted deferred tax assets (2d + 2h) | \$ 1,050,000 | \$ 840,000 | \$ 210,000 |
| 3. Deferred Tax Liabilities: | | | |
| (a) Ordinary: | | | |
| (1) Investments | | | \$ - |
| (2) Fixed assets | \$ 1,050,000 | \$ 840,000 | \$ 210,000 |
| (3) Deferred and uncollected premium | | | \$ - |
| (4) Policyholder reserves | | | \$ - |
| (5) Other | | | \$ - |
| (99) Subtotal (3a1+3a2+3a3+3a4+3a5) | \$ 1,050,000 | \$ 840,000 | \$ 210,000 |
| (b) Capital: | | | |
| (1) Investments | | | \$ - |
| (2) Real estate | | | \$ - |
| (3) Other | | | \$ - |
| (99) Subtotal (3b1+3b2+3b3) | \$ - | \$ - | \$ - |
| (c) Deferred tax liabilities (3a99 + 3b99) | \$ 1,050,000 | \$ 840,000 | \$ 210,000 |
| 4. Net deferred tax assets/liabilities (2i - 3c) | \$ - | \$ - | \$ - |

The change in net deferred income taxes is reflected in C(2) through C(4) above. This analysis is exclusive of non-admitted assets as the change in non-admitted assets is reported separately from the change in net deferred income taxes in the surplus section of the Annual Statement.

D. Significant Book to Tax Adjustments - During 2023, WMA incurred realized net capital gains of \$0.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022 that includes changes to the U.S. corporate income tax system, including a fifteen percent minimum tax assessed on corporations with average annual adjusted financial statement income in excess of \$1 billion for three prior taxable years. A corporation that meets the applicable threshold is an "applicable corporation." WMA determined that it is not an applicable corporation in 2023.

E. Operating Loss Carry-Forwards and Income Taxes Available for Recoupment

- As of December 31, 2023, WMA has unused operating loss carry-forwards of \$74,707,142
- WMA did not have any protective tax deposits under Section 6603 of the Internal Revenue Code as of December 31, 2023.

F. Consolidated tax filing

WMA files a separate company federal income tax return and did not participate in a tax sharing allocation agreement in 2023.

G. Loss contingencies

Under SSAP No. 5R, WMA is required to evaluate all tax positions as to their relative uncertainty and certainty. WMA recognizes accrued interest and penalties related to uncertain income tax positions in federal income tax expense. For periods ended December 31, 2023, and 2022, respectively, \$0 was accrued for interest and penalties with the cumulative accrued balance totaling \$0 as of December 31, 2023 and 2022, respectively. WMA does not expect a significant change in uncertain tax positions within the next 12 months.

H. Repatriation Transition Tax (RTT)

NOT APPLICABLE

I. Alternative Minimum Tax (AMT) Credit

NOT APPLICABLE

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

A. WMA is a wholly owned subsidiary of Wellmark Advantage Holdings, LLC (WAH), which in turn is 51% owned subsidiary of Emergent, Inc. (EI), a wholly owned subsidiary of Emergent Holdings, Inc. (EHI). EHI is a wholly owned subsidiary of Blue Cross Blue Shield of Michigan Mutual Insurance Company (BCBSM). WAH is also a 49% owned subsidiary of Wellmark, Inc (WM).

On a routine basis, WMA conducts business transactions with its parent WM, and various affiliates.

B. Transactions with affiliates include various management, administrative and professional services. Administrative support fees incurred will be allocated to the statutory administrative expense categories of cost containment, other claims adjustment, general administrative and investment expenses.

For the year ended December 31, 2023 and 2022 \$11,253,151 and \$13,816,361, respectively, was billed from affiliates for the operating expenses detailed above. The majority of these transactions were related to WM, EI and an EHI affiliate.

For the year ended December 31, 2023 there were no billings to affiliates for the operating activities detailed above.

Capital Contributions - WMA received capital contributions of \$82,000,000 and \$19,989,000 for the years ended December 31, 2023 and 2022, respectively.

C. Transactions with related parties who are not on Schedule Y

NOT APPLICABLE

D. All related-party receivable and payable balances are classified as either amounts due to or receivables from parent, subsidiaries, and affiliates.

As of December 31, 2023 and 2022, WMA had \$1,721,147 and \$1,243,220, respectively, due from related parties. The majority of these balances were related to WAH.

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2023 and 2022, WMA had \$1,992,629 and \$5,173,360, respectively, due to related parties. The majority of 2023 balances were related to WM and EI. The majority of 2022 balances were related to WM and an affiliate of EHI.

E. WMA and EI have entered into an administrative services agreement. Under the agreement, WMA will be charged a fee for the services provided.

In 2022, related parties provided software as a service (SaaS). WMA capitalized software implementation costs provided by related parties of \$5,000,000 as of December 31, 2022. Amortization was \$1,000,000 for the year ended December 31, 2022. Under NAIC SAP, nonoperating system software costs are nonadmitted assets.

F. Affiliate Guarantees

NOT APPLICABLE

G. All outstanding shares of WMA are owned by WAH.

H. Ownership in upstream affiliate or parent

NOT APPLICABLE

I. Investment in SCA

NOT APPLICABLE

J. Investment Impaired

NOT APPLICABLE

K. Investment in foreign insurance subsidiary

NOT APPLICABLE

L. Investment in downstream noninsurance holding company

NOT APPLICABLE

M. All SCA Investments

NOT APPLICABLE

N. Investment in Insurance SCAs

NOT APPLICABLE

O. SCA or SSAP 48 Entity Loss Tracking

NOT APPLICABLE

NOTE 11 Debt

NOT APPLICABLE

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

A. Defined Benefit Plan

NOT APPLICABLE

B. Plan Asset Investment Policies and Procedures

NOT APPLICABLE

C. The fair value of each class of plan assets

NOT APPLICABLE

D. Bases of Rate-of-Return-on-Assets Assumption

NOT APPLICABLE

E. Defined Contribution Plan

NOT APPLICABLE

F. Multiemployer Plans

NOT APPLICABLE

G. Consolidated/Holding Company Plans

BCBSM has the responsibility for administering and funding the pension and other postretirement benefits for WMA, including qualified and non-qualified noncontributory defined benefit pension plans, and qualified defined contribution and deferred compensation plans. WMA has no legal obligation for benefits under these plans. BCBSM allocates expenses through EI, to WMA based on allocations supporting other employment and overhead costs. WMA's share of net expense for qualified and non-qualified pension plans, postretirement benefit plans and qualified defined contribution plan was:

| | 2023 | 2022 |
|---|---------|---------|
| Qualified and non-qualified pension plans | \$3,800 | \$1,607 |
| Postretirement benefit plans | 314 | 252 |
| Qualified defined contribution plans | 29,588 | 18,750 |

The above expenses and amounts due to EI related to the retirement expenses, as of December 31, 2023 and 2022, are included in the amounts disclosed in Note 10.

NOTES TO FINANCIAL STATEMENTS

H. Postemployment Benefits and Compensated Absences

NOT APPLICABLE

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

NOT APPLICABLE

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

A. WMA authorized 500,000 shares of \$1 per share par common stock of which 500,000 shares are issued and outstanding.

B. Preferred stock

NOT APPLICABLE

C. Dividend restrictions

Dividends on common stock will be paid as declared by the Board of Directors of the Company. Without prior approval of IID commissioner, dividends to shareholders are limited to the greater of ten percent of surplus as of December 31 of the prior year or net income for the twelve-month period ending December 31 of the prior year.

D. Dividends paid

NOT APPLICABLE

E. Stockholder's portion of ordinary dividends

NOT APPLICABLE

F. Restrictions placed on unassigned funds (surplus)

NOT APPLICABLE

G. The total amount of advances to surplus not repaid

NOT APPLICABLE

H. The amount of stock held by WMA for special purposes

NOT APPLICABLE

I. Special surplus fund changes

NOT APPLICABLE

J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$(503,299).

K. Surplus Notes

NOT APPLICABLE

M. Effective date(s) of all quasi-reorganizations in the prior 10 years is/are

NOT APPLICABLE

NOTE 14 Liabilities, Contingencies and Assessments

A. Contingent Commitments

NOT APPLICABLE

B. Assessments

NOT APPLICABLE

C. Gain Contingencies

NOT APPLICABLE

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

NOT APPLICABLE

E. Joint and Several Liabilities

NOT APPLICABLE

F. All Other Contingencies

There are no contingent liabilities required to be recorded or disclosed for WMA.

NOTE 15 Leases

NOT APPLICABLE

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

NOTES TO FINANCIAL STATEMENTS

NOT APPLICABLE

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

NOT APPLICABLE

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

A. ASO Plans:

NOT APPLICABLE

B. ASC Plans:

NOT APPLICABLE

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

(1) Medicare Part D cost-based reimbursements for 2023 and 2022 consisted of \$5,953,915 and \$1,556,803 respectively, for coverage gap discount; \$1,372,128 and \$413,123 respectively, for low-income subsidy (cost sharing portion); and \$8,578,745 and \$1,895,483 respectively, for reinsurance premiums.

(2) As of December 31, 2023 and 2022 WMA has recorded CMS receivables of \$3,910,846 and \$889,162 respectively, from the Centers for Medicare & Medicaid Services (CMS) whose account balances were greater than 10% of WMA's amounts receivable from uninsured accident and health plans or \$10,000.

(3) In connection with the Medicare Part D cost-based reimbursement portion of the contract, WMA has recorded no allowances and reserves for adjustment of recorded reimbursement advances as of December 31, 2023 and 2022.

(4) Adjustments to revenue resulting from an audit of receivables related to revenues recorded in the prior period.

NOT APPLICABLE

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

NOT APPLICABLE

NOTE 20 Fair Value Measurements

A. Inputs used for Assets and Liabilities Measured and Reported at Fair Value

(1) Items Measured and Reported at Fair Value by Levels 1, 2 and 3

The fair values of WMA's securities are based on quoted market prices, where available. These fair values are obtained primarily from either the custodian banks or third-party pricing services, which generally use Level 1 or Level 2 inputs for the determination of fair value in accordance with statutory accounting principles (SAP) guidance.

WMA obtains one quoted price for each security from either the custodian banks or third-party pricing services, which are derived through recently reported trades for identical or similar securities making adjustments through the reporting date based upon available market observable information. For securities not actively traded, the third-party pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds.

In certain circumstances, it may not be possible to derive pricing model inputs from observable market activity, and therefore, such inputs are estimated internally. Such securities are designated Level 3.

The following techniques were used to estimate the fair value and determine the classification of assets pursuant to the valuation hierarchy:

Bonds – Exchange Traded Funds (ETFs)—Consist of ETFs that invest in corporate bonds. The Securities Valuation Office (SVO) maintains the list of ETFs that are eligible for classification as bonds. These securities are classified as Level 1.

Common Stocks - ETFs - Consist of ETFs that invest in publicly listed companies. The valuation for exchange-traded securities is based on unadjusted quoted prices for these securities, or funds in an active market. These securities are classified as Level 1.

Money Market Mutual Funds—Consist of money market funds that invest in one of the following: securities that are direct obligations of the U.S. government, securities that are backed by the full faith and credit of the U.S. government or collateralized repurchase agreements composed of such obligations. The SVO maintains the list of money market funds that are eligible for classification as Money Market Funds. These securities are classified as Level 1.

(1) Fair Value Measurements at Reporting Date

| Description for each class of asset or liability | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Total |
|--|---------------|-----------|-----------|-----------------------|---------------|
| a. Assets at fair value | | | | | |
| Bonds | | | | | \$ - |
| Bonds - Exchange Traded Funds - As identified by SVO | \$ 14,436,541 | | | | \$ 14,436,541 |
| Common Stock | | | | | \$ - |
| Common Stock - Industrial & Misc (Unaffiliated) | \$ 816,297 | | | | \$ 816,297 |
| Cash Equivalents | | | | | \$ - |
| All Other Money Market Mutual Funds | \$ 950,824 | | | | \$ 950,824 |
| Total assets at fair value/NAV | \$ 16,203,662 | \$ - | \$ - | \$ - | \$ 16,203,662 |

| Description for each class of asset or liability | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Total |
|--|-----------|-----------|-----------|-----------------------|-------|
| b. Liabilities at fair value | | | | | |
| Total liabilities at fair value | \$ - | \$ - | \$ - | \$ - | \$ - |

(2) Fair Value Measurements in (Level 3) of the Fair Value hierarchy

NOTES TO FINANCIAL STATEMENTS

NOT APPLICABLE

(3) Transactions between levels

NOT APPLICABLE

(4) Description of the valuation technique(s) and the inputs used in the fair value measurement of assets and liabilities categorized within Level 2 and Level 3

NOT APPLICABLE

(5) Derivative assets and liabilities

NOT APPLICABLE

B. Other Fair Value Information

NOT APPLICABLE

C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Not Practicable (Carrying Value) |
|--|----------------------|-----------------|---------------|-----------|-----------|-----------------------|----------------------------------|
| Bonds - Exchange Traded Funds - As identified by SVO | \$ 14,436,541 | \$ 14,436,541 | \$ 14,436,541 | | | | |
| Common Stock - Industrial & Misc (Unaffiliated) | \$ 816,297 | \$ 816,297 | \$ 816,297 | | | | |
| All Other Money Market Mutual Funds | \$ 950,824 | \$ 950,824 | \$ 950,824 | | | | |

D. Not Practicable to Estimate Fair Value

NOT APPLICABLE

E. Investments using the NAV Practical Expedient

NOT APPLICABLE

NOTE 21 Other Items

NOT APPLICABLE

NOTE 22 Events Subsequent

Management has evaluated all events subsequent to the Annual Statement date of December 31, 2023, through March 1, 2024, for the Annual Statement submitted on March 1, 2024.

Type I – Recognized Subsequent Events:

Management has determined that there are no Type I subsequent events that require disclosure under SSAP No. 9, Subsequent Events.

Type II – Nonrecognized Subsequent Events:

Management has determined that there are no Type II subsequent events that require disclosure under SSAP No. 9, Subsequent Events.

NOTE 23 Reinsurance

NOT APPLICABLE

NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. WMA estimates accrued retrospective premium adjustments for its Medicare Advantage health insurance contracts based on an analysis of Part C member health risk score adjustments-submitted to CMS and the Part D risk corridor reconciliation related to the funds received from CMS or the beneficiary.

To the extent that WMA is subject to potential medical loss ratio (MLR) rebates, any return premium adjustment would be based on the formulas required by law.

B. Accrued redetermination premium adjustments and return premium adjustments, as well as retrospective premiums, are recorded as adjustments to earned premium revenue.

C. The amount of net premiums written by WMA that were subject to redetermination or retrospective provisions (including premiums subject to MLR rebates) was approximately \$95,436,087 and \$37,901,563 for 2023 and 2022, respectively: representing approximately 100% and 100% of the total net health premiums written for 2023 and 2022, respectively. No other premiums written by WMA were subject to redetermination or retrospective provisions.

D. Medical loss ratio rebates required pursuant to the Public Health Service 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 | \$ - | \$ - | \$ - | \$ - | \$ - |

NOTES TO FINANCIAL STATEMENTS

| | | | | | |
|--|------|------|------|------|------|
| (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

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

Yes [] No [X]

NOTE 25 Change in Incurred Claims and Claim Adjustment Expenses

- A. Liabilities for unpaid claims and claims adjustment expenses as of December 31, 2022 were \$6,335,838. As of December 31, 2023, \$5,447,269 has been paid for incurred claims and claims adjustment expenses attributable to insured events of prior years. Liabilities for unpaid claims and claims adjustment expenses remaining for prior years are now estimated to be \$1,025,961 as a result of a re-estimation of unpaid claims on Medicare lines of business. Therefore, there has been a \$137,392 unfavorable prior year development based on the analysis of recent loss development trends from December 31, 2022 to December 31, 2023.
- B. Information about Significant Changes in Methodologies and Assumptions
Not applicable.

NOTE 26 Intercompany Pooling Arrangements

NOT APPLICABLE

NOTE 27 Structured Settlements

NOT APPLICABLE

NOTE 28 Health Care Receivables

A. Pharmaceutical Rebate Receivables

Health care receivables include pharmacy rebates WMA receives from third-party vendors. WMA estimates pharmacy rebates from historical data received from their pharmacy benefit manager. Activity for the current year is summarized as follows:

| Date | 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 |
|------------|--|---|---|--|--|
| 12/31/2023 | \$ 3,588,890 | | | | |
| 09/30/2023 | \$ 2,877,602 | | | | |
| 06/30/2023 | \$ 2,629,317 | \$ 2,289,962 | \$ 2,289,962 | | |
| 03/30/2023 | \$ 2,137,953 | \$ 2,296,169 | \$ 2,038,785 | \$ 257,385 | |
| 12/31/2022 | \$ 793,067 | \$ 987,831 | \$ 957,966 | \$ 29,864 | \$ 1 |
| 09/30/2022 | \$ 709,721 | \$ 917,132 | \$ 884,274 | \$ 32,860 | \$ (1) |
| 06/30/2022 | \$ 707,403 | \$ 856,256 | \$ 819,223 | \$ 31,008 | \$ 6,025 |
| 03/30/2022 | \$ 873,650 | \$ 800,059 | | \$ 797,252 | \$ 2,807 |

B. Risk-Sharing Receivables

Estimated risk sharing receivables are actuarially determined based on current year and adjusted for seasonality of claims, risk and revenue. Risk sharing receivables at December 31, 2023 are summarized in the following table.

| Calendar Year | Evaluation Period Year Ending | Risk Sharing Receivable as Estimated in the Prior Year | Risk Sharing Receivable as Estimated in the Current Year | Risk Sharing Receivable Billed | Risk Sharing Receivable Not Yet Billed | Actual Risk Sharing Amounts Received in Year Billed | Actual Risk Sharing Amounts Received First Year Subsequent | Actual Risk Sharing Amounts Received Second Year Subsequent | Actual Risk Sharing Amounts Received - All Other |
|---------------|-------------------------------|--|--|--------------------------------|--|---|--|---|--|
| 2023 | 2023 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | 2024 | \$ - | \$ 1,396,025 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

NOTE 29 Participating Policies

NOT APPLICABLE

NOTE 30 Premium Deficiency Reserves

A liability for premium deficiency losses is an actuarial estimate that is recognized when it is probable that expected claim losses and allocable administrative expenses will exceed future premiums on existing health and other contracts, without consideration of investment income. For purposes of premium deficiency losses, contracts are grouped in a manner consistent with WMA's method of acquiring, servicing, and measuring the profitability of such contracts. Premium deficiency losses are generally released over the period that the contract is in a loss position.

- 1. Liability carried for premium deficiency reserves \$ 35,770,566
- 2. Date of the most recent evaluation of this liability 12/31/2023
- 3. Was anticipated investment income utilized in the calculation? Yes [] No [X]

NOTE 31 Anticipated Salvage and Subrogation

WMA did not reduce its liability for unpaid claims/losses by any estimated anticipated salvage and subrogation at December 31, 2023 or 2022 as WMA records salvage and subrogation on a paid basis when cash is received.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Iowa
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made.
- 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.
- 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).
- 3.4 By what department or departments?
Wellmark, Inc., an ultimate parent entity of Wellmark Advantage Health Plan, Inc., underwent an examination for the period ended 12/31/21 by the Iowa Insurance Division and South Dakota Division of Insurance.

Blue Cross Blue Shield of Michigan, an ultimate parent entity of Wellmark Advantage Health Plan, Inc. is currently under an examination for the period ended 12/31/22 by the Michigan Department of Insurance and Financial Services.
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1
Name of Entity | 2
NAIC Company Code | 3
State of Domicile |
|---------------------|------------------------|------------------------|
| | | |
- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

| 1 Nationality | 2 Type of Entity |
|------------------|---------------------|
| | |

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|------------------------------|-----------------------------|----------|----------|-----------|----------|
| Bricktown Capital, LLC | Detroit, MI | NO | NO | NO | YES |

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche LLP
1001 Woodward Suite 700
Detroit, Michigan 48226
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain.
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Wakely Consulting Group, LLC 7650 Courtney Campbell Causeway 19 N, Suite 1250 Tampa, FL 33607
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company ...
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value \$
- 12.2 If yes, provide explanation
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$
 - 20.12 To stockholders not officers.....\$
 - 20.13 Trustees, supreme or grand (Fraternal Only)\$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$
 - 20.22 To stockholders not officers.....\$
 - 20.23 Trustees, supreme or grand (Fraternal Only)\$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$
 - 21.22 Borrowed from others.....\$
 - 21.23 Leased from others\$
 - 21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$
 - 22.22 Amount paid as expenses\$
 - 22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$ 1,721,147
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

| Name of Third-Party | Is the Third-Party Agent a Related Party (Yes/No) |
|---------------------|---|
| | |

INVESTMENT

- 25.01 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 25.03)..... Yes [X] No []

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information, relating thereto
.....
- 25.03 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)
.....
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 25.08 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 [] N/A [X]
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0
- 25.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
- 25.093 Total payable for securities lending reported on the liability page. \$ 0

- 26.1 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 25.03). Yes [] No [X]
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$ 0
- 26.22 Subject to reverse repurchase agreements \$ 0
- 26.23 Subject to dollar repurchase agreements \$ 0
- 26.24 Subject to reverse dollar repurchase agreements \$ 0
- 26.25 Placed under option agreements \$ 0
- 26.26 Letter stock or securities restricted as to sale -
excluding FHLB Capital Stock \$ 0
- 26.27 FHLB Capital Stock \$ 0
- 26.28 On deposit with states \$ 0
- 26.29 On deposit with other regulatory bodies \$ 0
- 26.30 Pledged as collateral - excluding collateral pledged to
an FHLB \$ 0
- 26.31 Pledged as collateral to FHLB - including assets
backing funding agreements \$ 0
- 26.32 Other \$ 0

26.3 For category (26.26) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 27.2 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 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No []
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 Yes [] No []
- 27.42 Permitted accounting practice Yes [] No []
- 27.43 Other accounting guidance Yes [] No []
- 27.5 By responding YES to 27.41 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.
- 28.1 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]
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$
29. 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 []

29.01 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 |
|---------------------------|---|
| Comerica Bank N.A. | 411 West Lafayette Detroit, MI, 48226 |

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

GENERAL INTERROGATORIES

29.02 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) |
|--------------|------------------|------------------------------|
| | | |

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [] No [X]

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

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

29.05 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 |
|--|------------------|
| Blue Cross Blue Shield of Michigan | A..... |

29.0597 For those firms/individuals listed in the table for Question 29.05, 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]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [] No [X]

29.06 For those firms or individuals listed in the table for 29.05 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 |
|---|--|------------------------------------|----------------------|--|
| | Blue Cross Blue Shield of Michigan | 549300NP72KD2P1W1F61 | | |

30.1 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 []

30.2 If yes, complete the following schedule:

| 1 CUSIP # | 2 Name of Mutual Fund | 3 Book/Adjusted Carrying Value |
|-------------------|-----------------------------|-----------------------------------|
| 464288-25-7 | iShares MSCI ACWI ETF | 816,297 |
| 30.2999 - Total | | 816,297 |

30.3 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 |
|---|---|---|------------------------|
| iShares MSCI ACWI ETF | Apple Inc | 36,407 | 12/31/2023 .. |
| iShares MSCI ACWI ETF | Microsoft Corp | 32,080 | 12/31/2023 .. |
| iShares MSCI ACWI ETF | Amazon.com Inc | 17,061 | 12/31/2023 .. |
| iShares MSCI ACWI ETF | Nvidia Corp | 14,775 | 12/31/2023 .. |
| iShares MSCI ACWI ETF | Alphabet Inc Class A | 9,959 | 12/31/2023 .. |

GENERAL INTERROGATORIES

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

| | 1 | 2 | 3 |
|-----------------------------|-------------------------------|------------|--|
| | Statement (Admitted) Value | Fair Value | Excess of Statement over Fair Value (-), or Fair Value over Statement (+) |
| 31.1 Bonds | 14,436,541 | 14,436,541 | 0 |
| 31.2 Preferred stocks | 0 | | 0 |
| 31.3 Totals | 14,436,541 | 14,436,541 | 0 |

- 31.4 Describe the sources or methods utilized in determining the fair values:
 Refinitiv (formerly Thomson Reuters) is the source for fair value prices.
- 32.1 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]
- 32.2 If the answer to 32.1 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 [X]
- 32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
 Refinitiv (formerly Thomson Reuters) is the source for fair value prices.
- 33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []
- 33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]
35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities? Yes [] No [X]
36. 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]
37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
 a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
 b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
 c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
 d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.
 Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [] N/A [X]

GENERAL INTERROGATORIES

38.1 Does the reporting entity directly hold cryptocurrencies? Yes [] No [X]

38.2 If the response to 38.1 is yes, on what schedule are they reported?

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [] No [X]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?
 39.21 Held directly Yes [] No []
 39.22 Immediately converted to U.S. dollars Yes [] No []

39.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

| 1 Name of Cryptocurrency | 2 Immediately Converted to USD, Directly Held, or Both | 3 Accepted for Payment of Premiums |
|-----------------------------|---|---|
| | | |

OTHER

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

40.2 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 |
|-----------|------------------|
| | |

41.1 Amount of payments for legal expenses, if any? \$

41.2 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 |
|-----------|------------------|
| | |

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

42.2 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. \$ _____

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____

1.31 Reason for excluding
.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above \$ _____

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ _____ 0

1.6 Individual policies: Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned \$ 0

1.65 Total incurred claims \$ 0

1.66 Number of covered lives 0

1.7 Group policies: Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

| | 1 Current Year | 2 Prior Year |
|-----------------------------------|-------------------|-----------------|
| 2.1 Premium Numerator | 95,436,087 | 37,901,563 |
| 2.2 Premium Denominator | 95,436,087 | 37,901,563 |
| 2.3 Premium Ratio (2.1/2.2) | 1.000 | 1.000 |
| 2.4 Reserve Numerator | 54,794,764 | 27,554,319 |
| 2.5 Reserve Denominator | 54,794,764 | 27,554,319 |
| 2.6 Reserve Ratio (2.4/2.5) | 1.000 | 1.000 |

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]

3.2 If yes, give particulars:
.....

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No []

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

5.2 If no, explain:
The Company has not purchased stop-loss reinsurance

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical \$

5.32 Medical Only \$

5.33 Medicare Supplement \$

5.34 Dental & Vision \$

5.35 Other Limited Benefit Plan \$

5.36 Other \$

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
In accordance with the BCBSA guidelines, Emergent, Inc. guarantees to the full extent of its assets, its proportional share of the contractual and financial obligations of Wellmark Advantage Health Plan, Inc. to its customers.

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

7.2 If no, give details
.....

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year 22,451

8.2 Number of providers at end of reporting year 23,315

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]

9.2 If yes, direct premium earned: 9.21 Business with rate guarantees between 15-36 months.. \$.....

9.22 Business with rate guarantees over 36 months \$.....

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No []

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ 126,580

10.22 Amount actually paid for year bonuses.....\$ 126,580

10.23 Maximum amount payable withholds.....\$

10.24 Amount actually paid for year withholds.....\$

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [] No [X]

11.13 An Individual Practice Association (IPA), or, Yes [X] No []

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. Iowa and South Dakota

11.4 If yes, show the amount required. \$ 5,000,000

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

.....

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

| 1 Name of Service Area |
|---|
| Iowa: Adair, Adams, Allamakee, Appanoose, Audubon, Benton, Black Hawk, Boone, Bremer, Buchanan, Buena Vista, Butler, Calhoun, Carroll, Cass, Cedar, Cerro Gordo, Cherokee, Chickasaw, Clarke, Clay, Clayton, Clinton, Crawford, Dallas, Davis, Delaware, Des Moines, Dickinson, Emmet, Fayette, Floyd, Franklin, Fremont, Greene, Grundy, Guthrie, Hamilton, Hancock, Hardin, Harrison, Henry, Howard, Humboldt, Ida, Iowa, Jackson, Jasper, Jefferson, Johnson, Jones, Keokuk, Kossuth, Lee, Linn, Louisa, Lucas, Lyon, Madison, Mahaska, Marion, Marshall, Mills, Mitchell, Monona, Monroe, Montgomery, Muscatine, O'Brien, Osceola, Page, Palo Alto, Plymouth, Pocahontas, Polk, Pottawattamie, Poweshiek, Ringgold, Sac, Scott, Shelby, Sioux, Story, Tama, Taylor, Union, Van Buren, Wapello, Warren, Washington, Wayne, Webster, Winnebago, Winneshiek, Woodbury, Worth and Wright South Dakota: Aurora, Bon Homme, Brookings, Butte, Charles Mix, Clark, Clay, Corson, Custer, Davison, Day, Deuel, Dewey, Douglas, Edmunds, Fall River, Haakon, Hanson, Harding, Hutchinson, Jackson, Jerauld, Kingsbury, Lake, Lawrence, Lincoln, McCook, McPherson, Meade, Miner, Minnehaha, Moody, Pennington, Perkins, Roberts, Sanborn, Turner, Union, Walworth, Yankton and Ziebach. |

13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$

13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

13.4 If yes, please provide the balance of funds administered as of the reporting date. \$

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [X] N/A []

14.2 If the answer to 14.1 is yes, please provide the following:

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

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

15.1 Direct Premium Written \$

15.2 Total Incurred Claims \$

15.3 Number of Covered Lives

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

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []

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 []

FIVE-YEAR HISTORICAL DATA

| | 1 2023 | 2 2022 | 3 2021 | 4 2020 | 5 2019 |
|--|--------------|--------------|--------------|-----------|-----------|
| Balance Sheet (Pages 2 and 3) | | | | | |
| 1. Total admitted assets (Page 2, Line 28) | 97,499,638 | 45,241,737 | 38,746,278 | | |
| 2. Total liabilities (Page 3, Line 24) | 63,606,306 | 35,132,974 | 13,974,064 | | |
| 3. Statutory minimum capital and surplus requirement | 5,000,000 | 5,000,000 | 5,000,000 | | |
| 4. Total capital and surplus (Page 3, Line 33) | 33,893,332 | 10,108,763 | 24,772,214 | | |
| Income Statement (Page 4) | | | | | |
| 5. Total revenues (Line 8) | 93,660,156 | 37,901,563 | 0 | | |
| 6. Total medical and hospital expenses (Line 18) | 107,729,477 | 38,584,058 | 0 | | |
| 7. Claims adjustment expenses (Line 20) | 7,951,572 | 3,118,874 | 0 | | |
| 8. Total administrative expenses (Line 21) | 23,599,922 | 16,084,587 | 11,533,461 | | |
| 9. Net underwriting gain (loss) (Line 24) | (59,912,838) | (33,574,536) | (19,323,423) | | |
| 10. Net investment gain (loss) (Line 27) | 493,820 | 171,888 | (4,363) | | |
| 11. Total other income (Lines 28 plus 29) | (81,105) | 1,234,622 | 0 | | |
| 12. Net income or (loss) (Line 32) | (59,500,123) | (32,168,026) | (19,327,786) | | |
| Cash Flow (Page 6) | | | | | |
| 13. Net cash from operations (Line 11) | (35,628,003) | (15,434,677) | (11,525,866) | | |
| Risk-Based Capital Analysis | | | | | |
| 14. Total adjusted capital | 33,893,332 | 10,108,763 | 24,772,214 | | |
| 15. Authorized control level risk-based capital | 4,708,807 | 2,722,051 | 420,069 | | |
| Enrollment (Exhibit 1) | | | | | |
| 16. Total members at end of period (Column 5, Line 7) | 11,706 | 4,741 | | | |
| 17. Total members months (Column 6, Line 7) | 124,918 | 48,155 | | | |
| 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) | 115.0 | 101.8 | 0.0 | | |
| 20. Cost containment expenses | 6.6 | 6.3 | 0.0 | | |
| 21. Other claims adjustment expenses | 1.9 | 1.9 | 0.0 | | |
| 22. Total underwriting deductions (Line 23) | 164.0 | 188.6 | 0.0 | | |
| 23. Total underwriting gain (loss) (Line 24) | (64.0) | (88.6) | 0.0 | | |
| Unpaid Claims Analysis (U&I Exhibit, Part 2B) | | | | | |
| 24. Total claims incurred for prior years (Line 17, Col. 5) | 6,339,748 | 0 | | | |
| 25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)] | 4,314,191 | 0 | | | |
| Investments In Parent, Subsidiaries and Affiliates | | | | | |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) | | | | | |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) | | | | | |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) | | | | | |
| 29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10) | | | | | |
| 30. Affiliated mortgage loans on real estate | | | | | |
| 31. All other affiliated | | | | | |
| 32. Total of above Lines 26 to 31 | 0 | 0 | 0 | 0 | 0 |
| 33. Total investment in parent included in Lines 26 to 31 above. | | | | | |

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:

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark Advantage Health Plan, Inc.
SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

| States, etc. | 1 Active Status (a) | Direct Business Only | | | | | | | | | |
|--|------------------------|-----------------------------------|---------------------------|-------------------------|---------------------|---|---|---------------------------------|--------------------------------|------------------------------|---|
| | | 2 Accident and Health Premiums | 3 Medicare Title XVIII | 4 Medicaid Title XIX | 5 CHIP Title XXI | 6 Federal Employees Health Benefits Program Premiums | 7 Life and Annuity Premiums & Other Considerations | 8 Property/Casualty Premiums | 9 Total Columns 2 Through 8 | 10 Deposit-Type Contracts | |
| 1. Alabama | AL | N | | | | | | | | 0 | |
| 2. Alaska | AK | N | | | | | | | | 0 | |
| 3. Arizona | AZ | N | | | | | | | | 0 | |
| 4. Arkansas | AR | N | | | | | | | | 0 | |
| 5. California | CA | N | | | | | | | | 0 | |
| 6. Colorado | CO | N | | | | | | | | 0 | |
| 7. Connecticut | CT | N | | | | | | | | 0 | |
| 8. Delaware | DE | N | | | | | | | | 0 | |
| 9. District of Columbia | DC | N | | | | | | | | 0 | |
| 10. Florida | FL | N | | | | | | | | 0 | |
| 11. Georgia | GA | N | | | | | | | | 0 | |
| 12. Hawaii | HI | N | | | | | | | | 0 | |
| 13. Idaho | ID | N | | | | | | | | 0 | |
| 14. Illinois | IL | N | | | | | | | | 0 | |
| 15. Indiana | IN | N | | | | | | | | 0 | |
| 16. Iowa | IA | L | 68,674,238 | | | | | | | 68,674,238 | |
| 17. Kansas | KS | N | | | | | | | | 0 | |
| 18. Kentucky | KY | N | | | | | | | | 0 | |
| 19. Louisiana | LA | N | | | | | | | | 0 | |
| 20. Maine | ME | N | | | | | | | | 0 | |
| 21. Maryland | MD | N | | | | | | | | 0 | |
| 22. Massachusetts | MA | N | | | | | | | | 0 | |
| 23. Michigan | MI | N | | | | | | | | 0 | |
| 24. Minnesota | MN | N | | | | | | | | 0 | |
| 25. Mississippi | MS | N | | | | | | | | 0 | |
| 26. Missouri | MO | N | | | | | | | | 0 | |
| 27. Montana | MT | N | | | | | | | | 0 | |
| 28. Nebraska | NE | N | | | | | | | | 0 | |
| 29. Nevada | NV | N | | | | | | | | 0 | |
| 30. New Hampshire | NH | N | | | | | | | | 0 | |
| 31. New Jersey | NJ | N | | | | | | | | 0 | |
| 32. New Mexico | NM | N | | | | | | | | 0 | |
| 33. New York | NY | N | | | | | | | | 0 | |
| 34. North Carolina | NC | N | | | | | | | | 0 | |
| 35. North Dakota | ND | N | | | | | | | | 0 | |
| 36. Ohio | OH | N | | | | | | | | 0 | |
| 37. Oklahoma | OK | N | | | | | | | | 0 | |
| 38. Oregon | OR | N | | | | | | | | 0 | |
| 39. Pennsylvania | PA | N | | | | | | | | 0 | |
| 40. Rhode Island | RI | N | | | | | | | | 0 | |
| 41. South Carolina | SC | N | | | | | | | | 0 | |
| 42. South Dakota | SD | L | 26,761,849 | | | | | | | 26,761,849 | |
| 43. Tennessee | TN | N | | | | | | | | 0 | |
| 44. Texas | TX | N | | | | | | | | 0 | |
| 45. Utah | UT | N | | | | | | | | 0 | |
| 46. Vermont | VT | N | | | | | | | | 0 | |
| 47. Virginia | VA | N | | | | | | | | 0 | |
| 48. Washington | WA | N | | | | | | | | 0 | |
| 49. West Virginia | WV | N | | | | | | | | 0 | |
| 50. Wisconsin | WI | N | | | | | | | | 0 | |
| 51. Wyoming | WY | N | | | | | | | | 0 | |
| 52. American Samoa | AS | N | | | | | | | | 0 | |
| 53. Guam | GU | N | | | | | | | | 0 | |
| 54. Puerto Rico | PR | N | | | | | | | | 0 | |
| 55. U.S. Virgin Islands | VI | N | | | | | | | | 0 | |
| 56. Northern Mariana Islands | MP | N | | | | | | | | 0 | |
| 57. Canada | CAN | N | | | | | | | | 0 | |
| 58. Aggregate Other Aliens | OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal | XXX | 0 | 95,436,087 | 0 | 0 | 0 | 0 | 0 | 0 | 95,436,087 | 0 |
| 60. Reporting Entity Contributions for Employee Benefit Plans | XXX | | | | | | | | | 0 | |
| 61. Totals (Direct Business) | XXX | 0 | 95,436,087 | 0 | 0 | 0 | 0 | 0 | 0 | 95,436,087 | 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 | 0 |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(a) Active Status Counts:

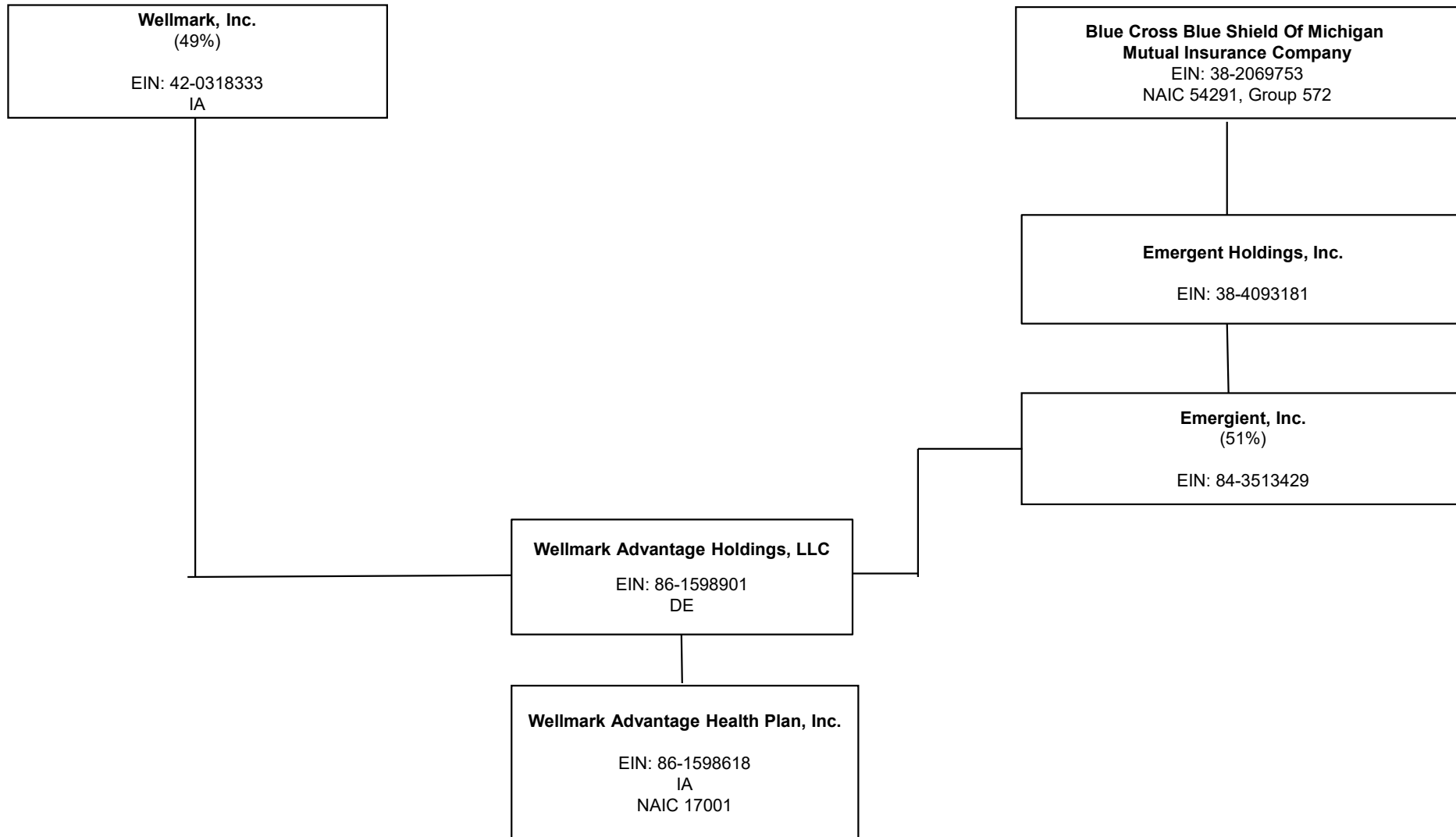
- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 2
- 2. R - Registered - Non-domiciled RRGs..... 0
- 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state. 0
- 4. Q - Qualified - Qualified or accredited reinsurer..... 0
- 5. N - None of the above - Not allowed to write business in the state..... 55

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

By situs of contract

SUBSIDIARY & AFFILIATE ORGANIZATION CHART

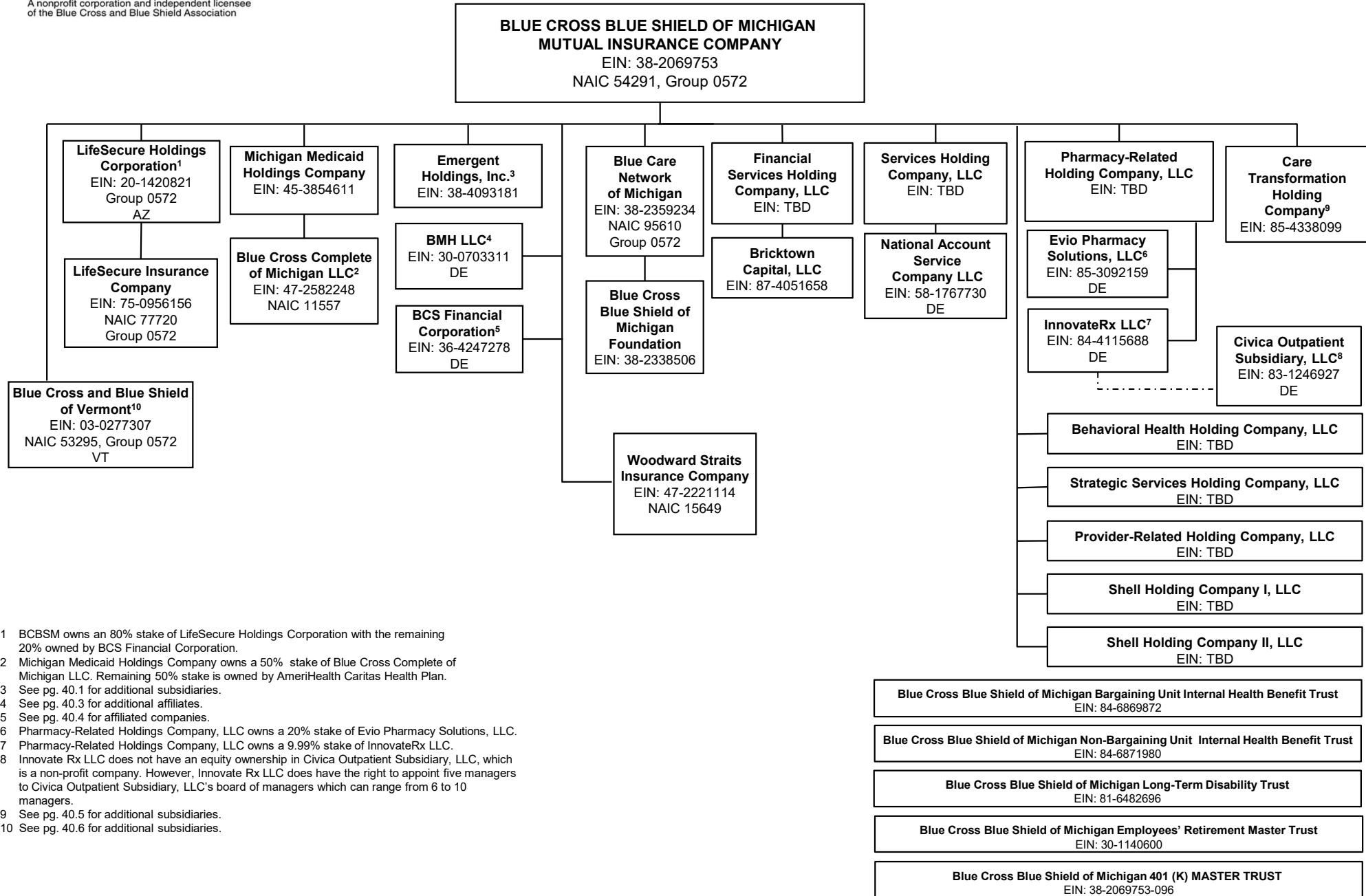
Wellmark Advantage Health Plan, Inc.





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SUBSIDIARY & AFFILIATE ORGANIZATION CHART



40.1

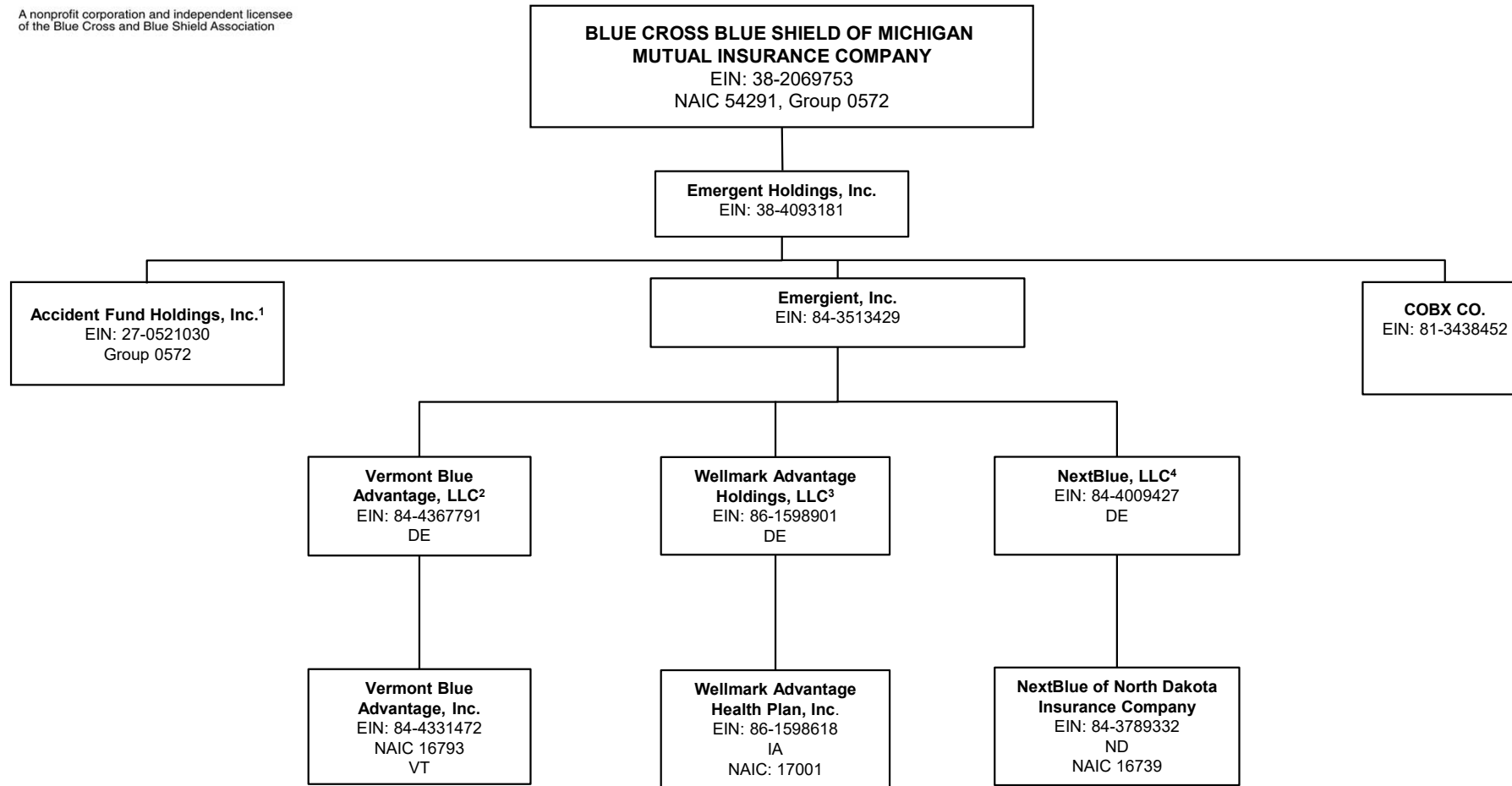
1 BCBSM owns an 80% stake of LifeSecure Holdings Corporation with the remaining 20% owned by BCS Financial Corporation.
 2 Michigan Medicaid Holdings Company owns a 50% stake of Blue Cross Complete of Michigan LLC. Remaining 50% stake is owned by AmeriHealth Caritas Health Plan.
 3 See pg. 40.1 for additional subsidiaries.
 4 See pg. 40.3 for additional affiliates.
 5 See pg. 40.4 for affiliated companies.
 6 Pharmacy-Related Holding Company, LLC owns a 20% stake of Evio Pharmacy Solutions, LLC.
 7 Pharmacy-Related Holding Company, LLC owns a 9.99% stake of InnovateRx LLC.
 8 Innovate Rx LLC does not have an equity ownership in Civica Outpatient Subsidiary, LLC, which is a non-profit company. However, Innovate Rx LLC does have the right to appoint five managers to Civica Outpatient Subsidiary, LLC's board of managers which can range from 6 to 10 managers.
 9 See pg. 40.5 for additional subsidiaries.
 10 See pg. 40.6 for additional subsidiaries.

All entities that do not reflect a particular state name or abbreviation are domiciled in Michigan.



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SUBSIDIARY & AFFILIATE ORGANIZATION CHART



40.2

1 See page 40.2 for additional subsidiaries and affiliates.

2 Emergent, Inc. owns a 51% stake in Vermont Blue Advantage LLC with the remaining 49% owned by Blue Cross and Blue Shield of Vermont.

3 Emergent, Inc. owns a 51% stake in Wellmark Advantage Holdings, LLC

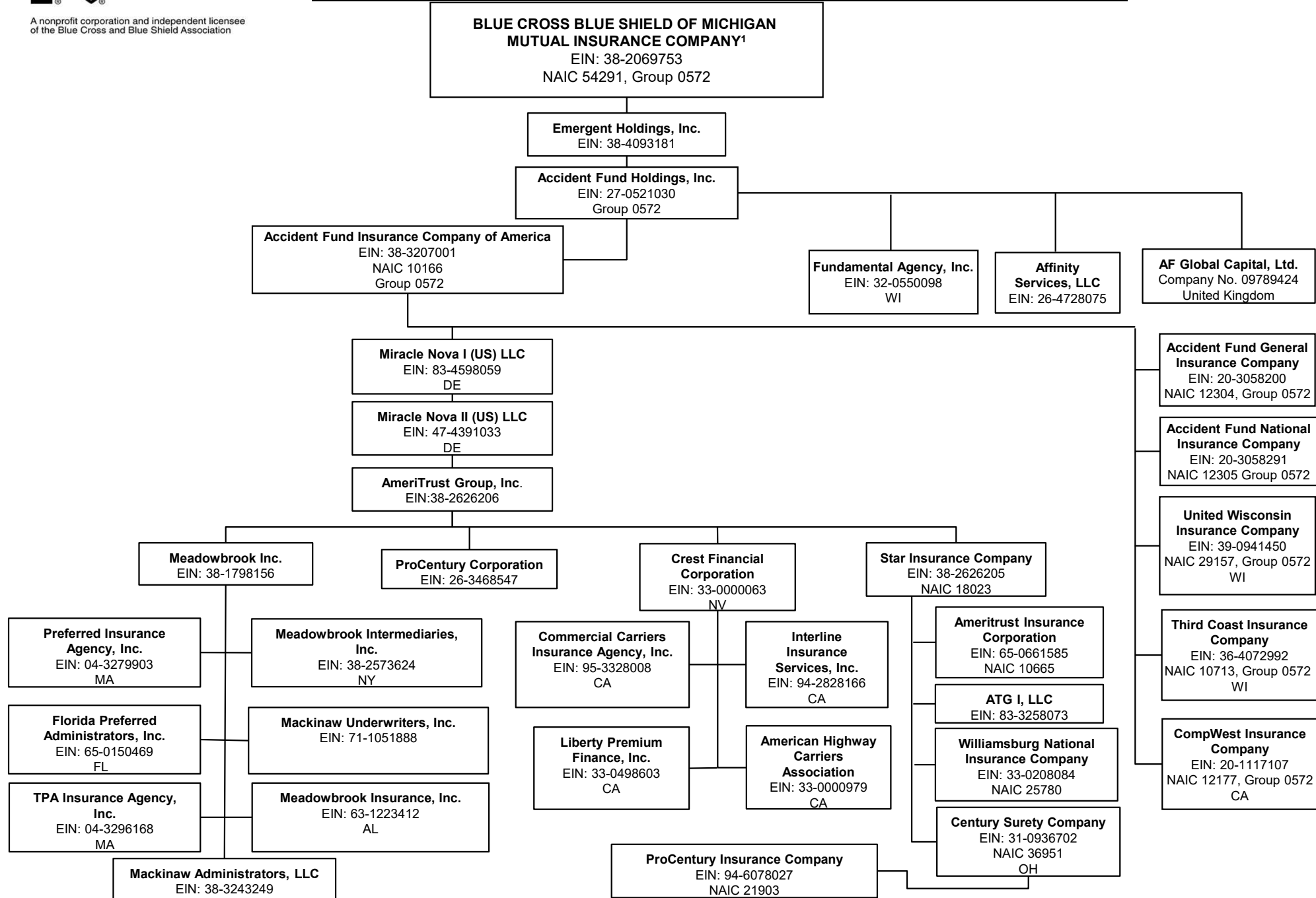
4 Emergent, Inc. owns a 51% stake in NextBlue, LLC.

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SUBSIDIARY & AFFILIATE ORGANIZATION CHART

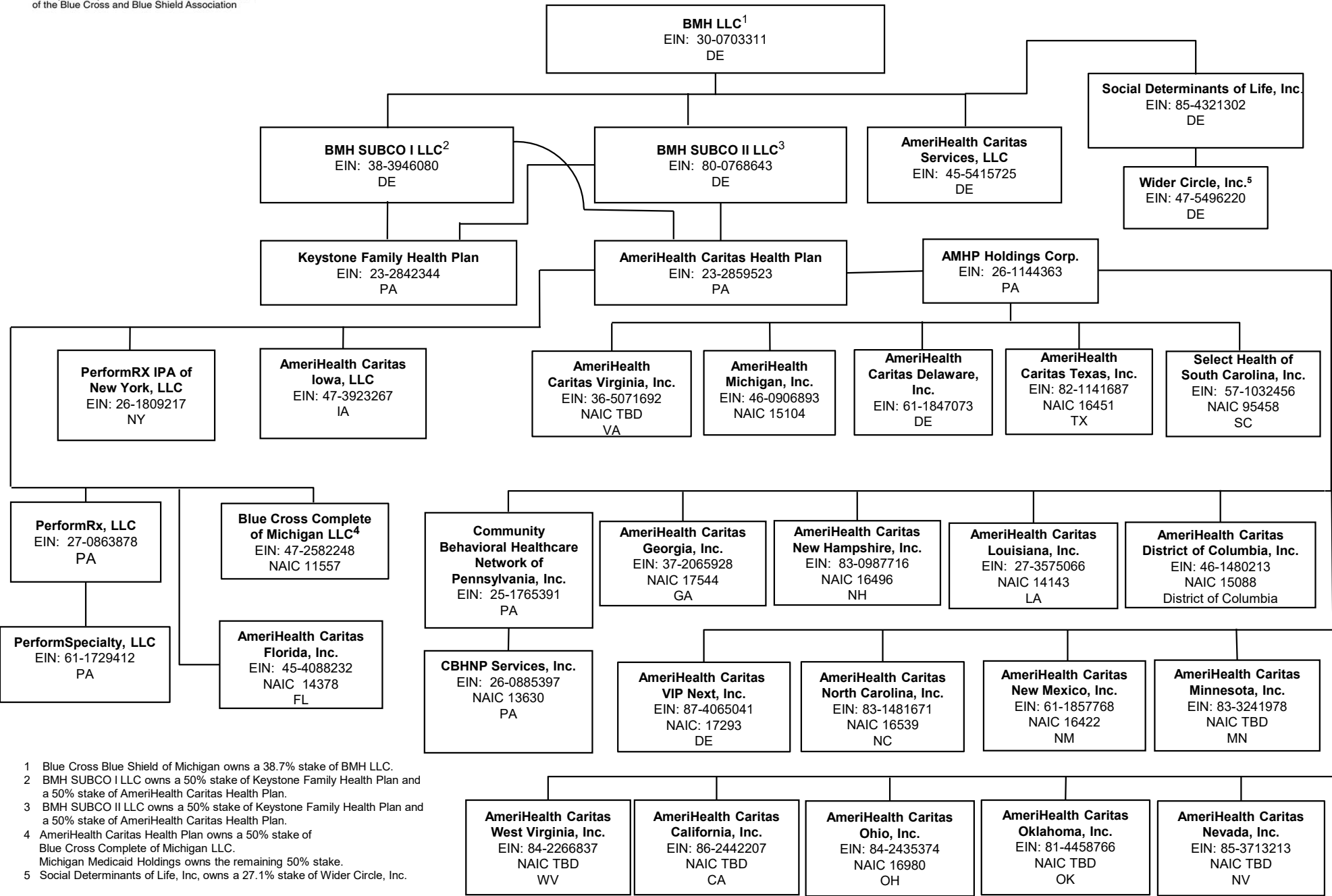


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SUBSIDIARY & AFFILIATE ORGANIZATION CHART



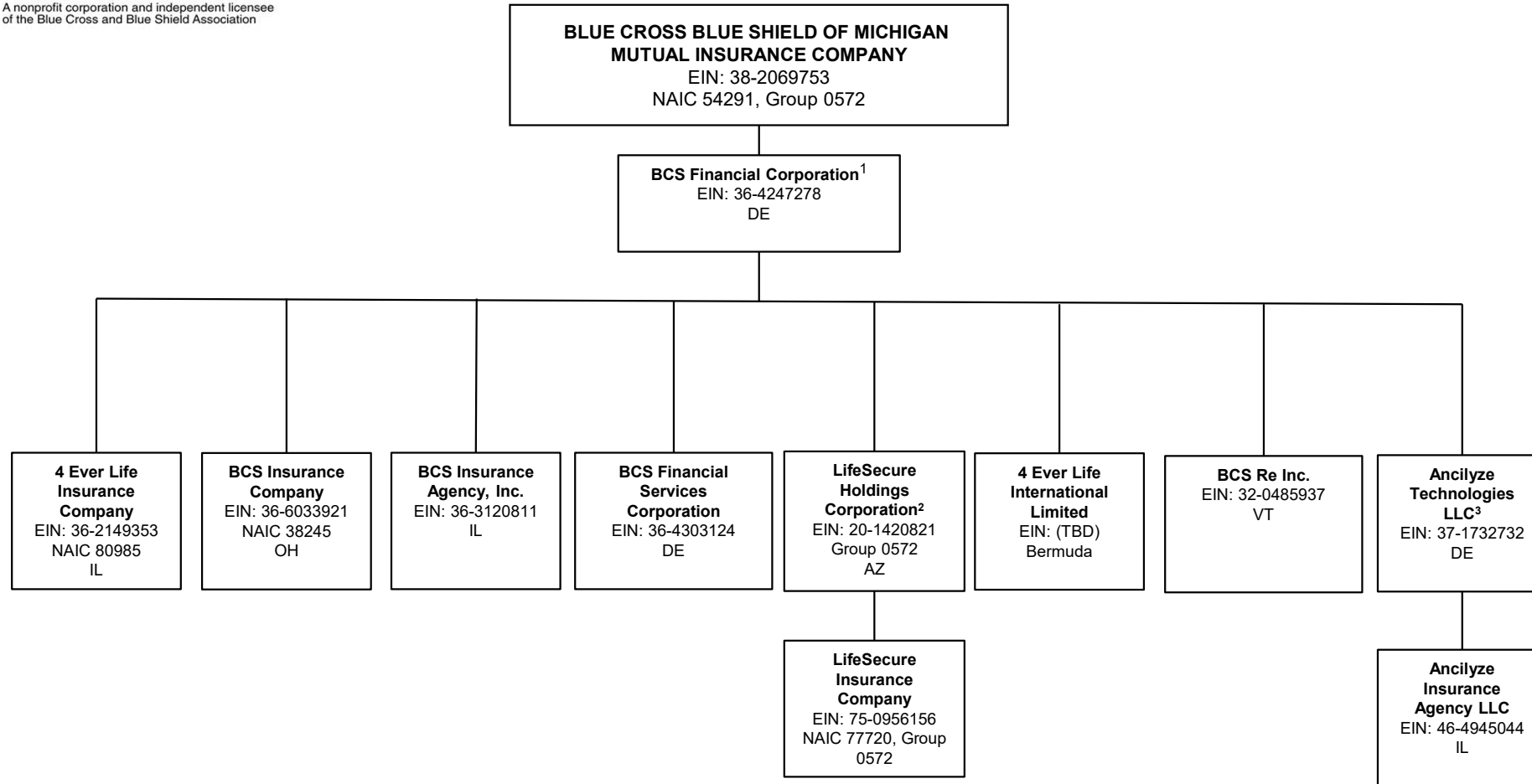
1 Blue Cross Blue Shield of Michigan owns a 38.7% stake of BMH LLC.
 2 BMH SUBCO I LLC owns a 50% stake of Keystone Family Health Plan and a 50% stake of AmeriHealth Caritas Health Plan.
 3 BMH SUBCO II LLC owns a 50% stake of Keystone Family Health Plan and a 50% stake of AmeriHealth Caritas Health Plan.
 4 AmeriHealth Caritas Health Plan owns a 50% stake of Blue Cross Complete of Michigan LLC.
 Michigan Medicaid Holdings owns the remaining 50% stake.
 5 Social Determinants of Life, Inc. owns a 27.1% stake of Wider Circle, Inc.

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SUBSIDIARY & AFFILIATE ORGANIZATION CHART



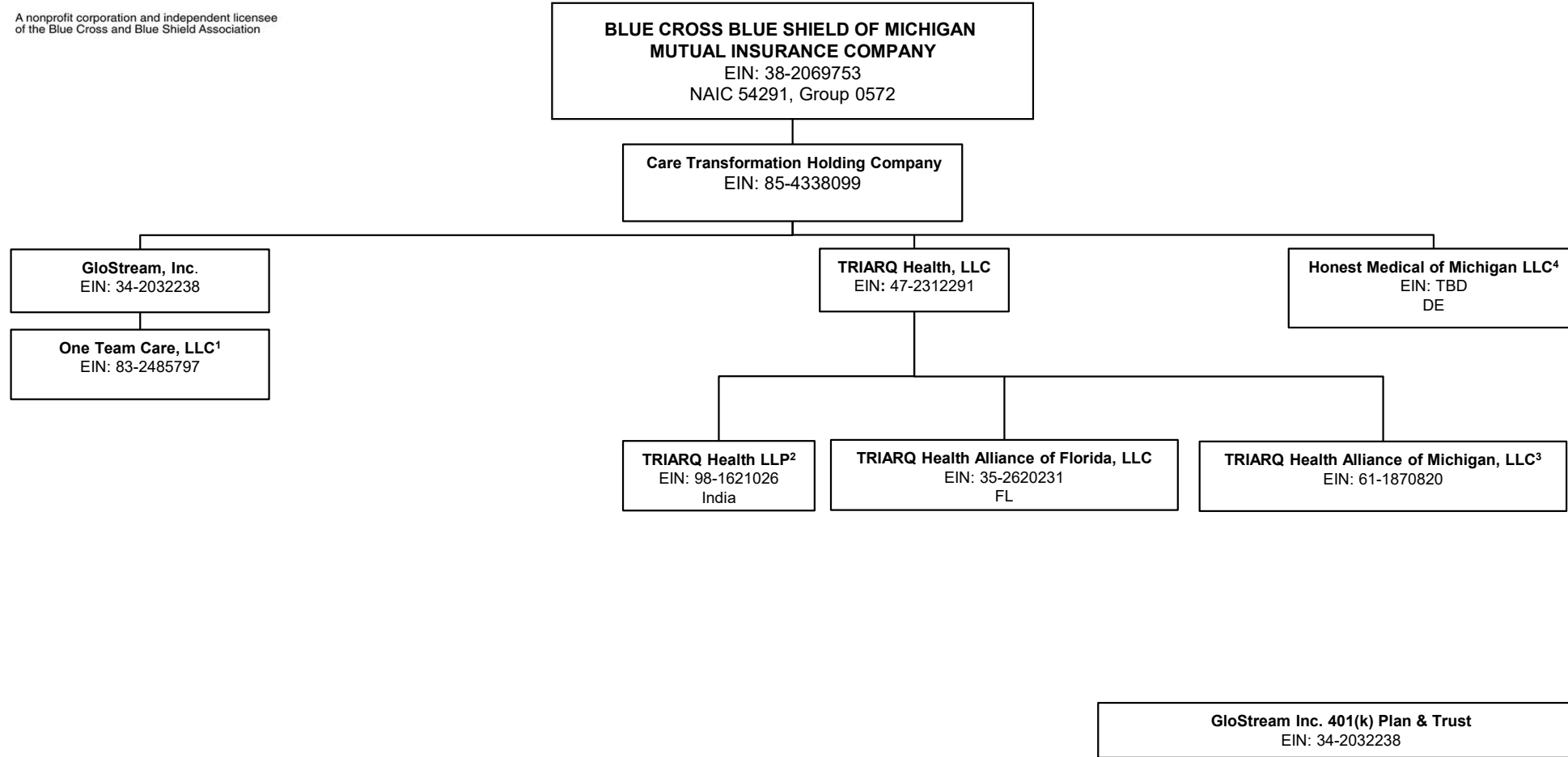
1 Blue Cross Blue Shield of Michigan owns 10.1% of BCS Financial Corporation Accident Fund Insurance Company of America owns 3.56% of BCS Financial Corporation.
 2 BCS Financial owns a 20% stake in LifeSecure Holdings Corporation with the remaining 80% owned by BCBSM.
 3 BCS Financial Corporation owns 50% of Ancilyze Technologies LLC.

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SUBSIDIARY & AFFILIATE ORGANIZATION CHART



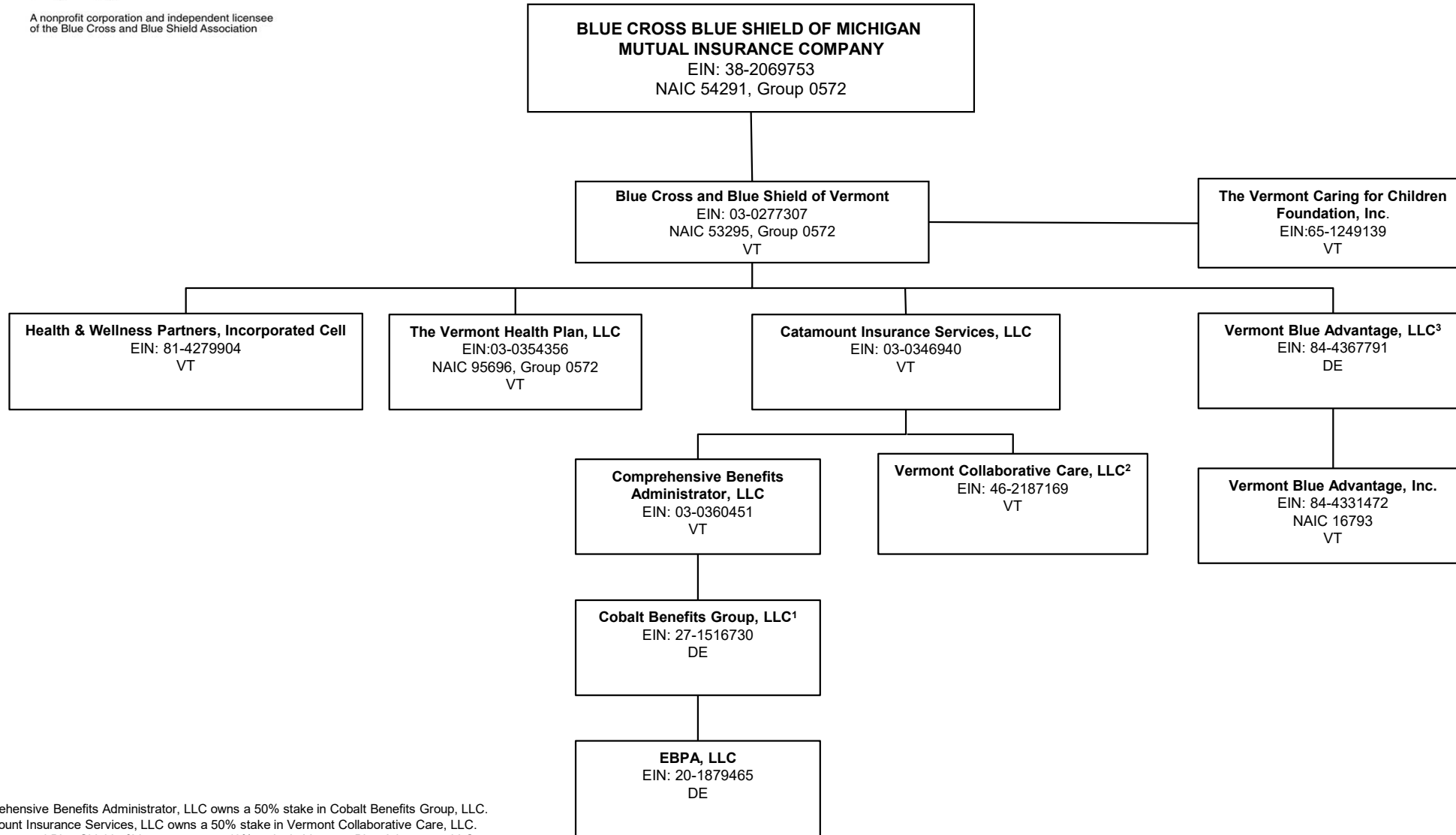
1 GloStream Inc. owns a 50% stake in One Team Care, LLC.
 2 TRIARQ Health, LLC owns a 99.9999% stake in TRIARQ Health LLP and Glostream, Inc. owns 0.0001%.
 3 TRIARQ Health, LLC owns a 68% stake in TRIARQ Health Alliance of Michigan.
 4 Care Transformation Holding Company owns a 19.9% stake in Honest Medical of Michigan LLC

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SUBSIDIARY & AFFILIATE ORGANIZATION CHART



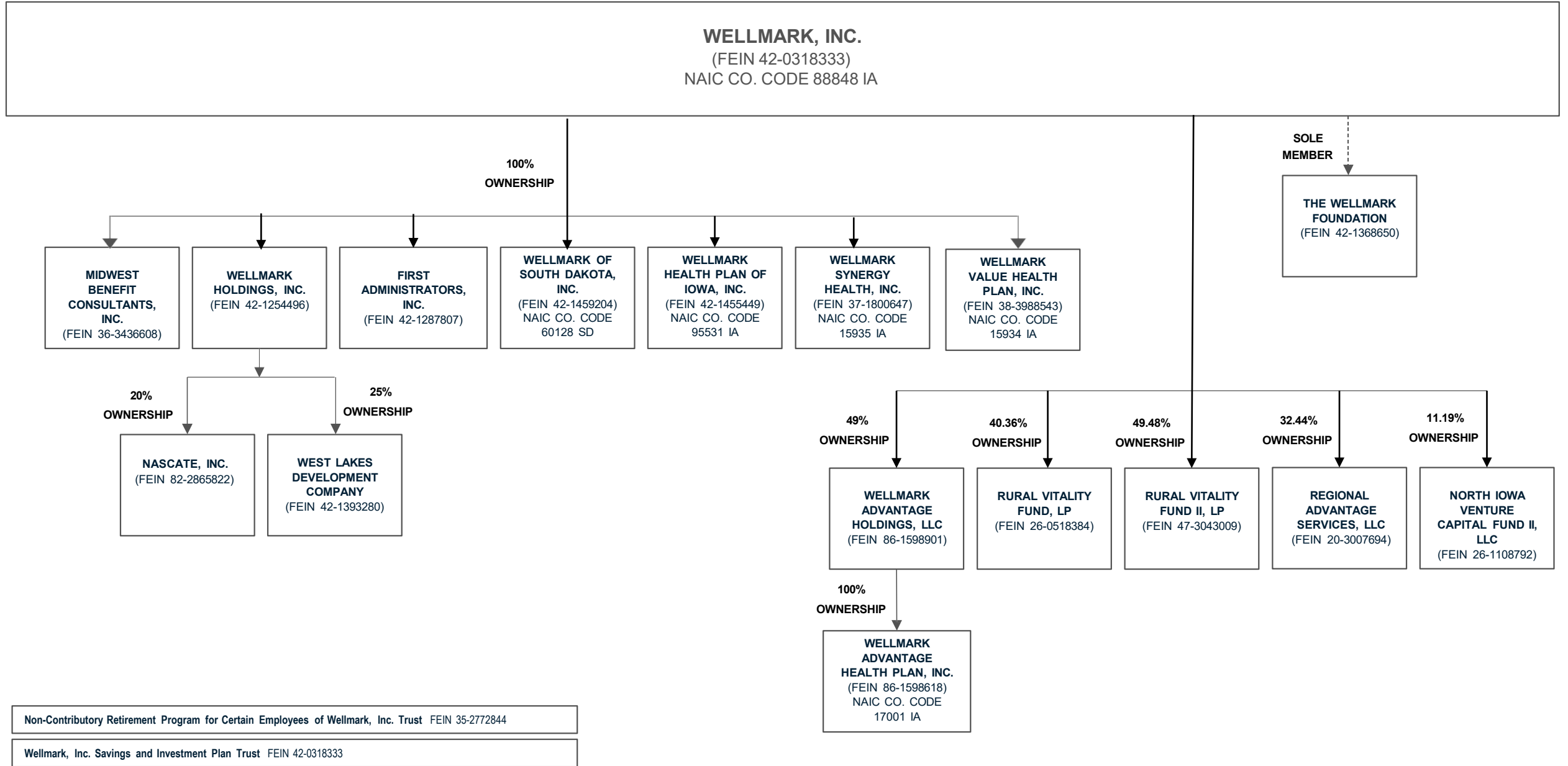
1 Comprehensive Benefits Administrator, LLC owns a 50% stake in Cobalt Benefits Group, LLC.
 2 Catamount Insurance Services, LLC owns a 50% stake in Vermont Collaborative Care, LLC.
 3 Blue Cross and Blue Shield of Vermont owns a 49% stake in Vermont Blue Advantage, LLC with the remaining 51% owned by Emergent, Inc.

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

PART 1 – ORGANIZATIONAL CHART

40.8



Non-Contributory Retirement Program for Certain Employees of Wellmark, Inc. Trust FEIN 35-2772844

Wellmark, Inc. Savings and Investment Plan Trust FEIN 42-0318333

OVERFLOW PAGE FOR WRITE-INS

NONE