



ANNUAL STATEMENT
 FOR THE YEAR ENDED DECEMBER 31, 2025
 OF THE CONDITION AND AFFAIRS OF THE
WELLMARK, INC.

NAIC Group Code 0770, 0770 (Current) (Prior) NAIC Company Code 88848 Employer's ID Number 42-0318333

Organized under the Laws of IA State of Domicile or Port of Entry IA
 Country of Domicile US
 Licensed as business type: Life, Accident & Health Is HMO Federally Qualified?
 Incorporated/Organized 09/19/1939 Commenced Business 10/01/1939
 Statutory Home Office 1331 GRAND AVENUE DES MOINES, IA, US 50309-2901
 Main Administrative Office 1331 GRAND AVENUE
 DES MOINES, IA, US 50309-2901 515-376-4500
 (Telephone)
 Mail Address 1331 GRAND AVENUE DES MOINES, IA, US 50309-2901
 Primary Location of Books and
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 (Telephone)
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 Statutory Statement Contact ASHLEY ARIEL ARELLANO 515-376-6307
 (Telephone)
 ARELLANOAA@WELLMARK.COM 515-376-9054
 (E-Mail) (Fax)

OFFICERS

CORY RANDALL HARRIS, PRESIDENT & CEO SCOTT ANDREW SUNDSTROM, SECRETARY
 DAVID SETH BROWN, EVP, CFO & TREASURER

OTHER

MARCELLE JO CHICKERING JOHN THOMAS CLENDENIN
 G. PAUL EDDY PAUL JOSHUA HLIVKO
 LAURA JEAN JACKSON CHRISTA DANEEN KUENNEN
 JARED BLAYNE LANDIN SEAN JOSEPH MCTAGGART
 NAIM ANWAR MUNIR MD

DIRECTORS OR TRUSTEES

RICHARD PHILLIP DEBARTOLO CORY RANDALL HARRIS
 DARYL KEITH HENZE - CHAIRMAN WILLIAM CURT HUNTER
 DOUGLAS DWIGHT LAIRD HARLAN JOHN LANGSTRAAT
 ANGELINE MARIE LAVIN RENEE VACHELLE SCHAAF
 TIMOTHY JOHN THERIAULT DAVID ARTHUR VAUDT
 THERESE MICHELE VAUGHAN

State of IOWA
 County of POLK SS

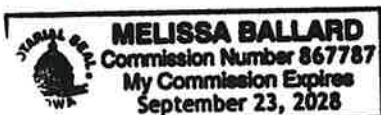
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any 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.

x x x
 CORY RANDALL HARRIS SCOTT ANDREW SUNDSTROM DAVID SETH BROWN
 PRESIDENT & CEO SECRETARY EVP, CFO & TREASURER

Subscribed and sworn to before me
 this 25th day of
 February, 2026

x

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



ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	1,013,032,128	-	1,013,032,128	1,065,432,620
2. Stocks (Schedule D):				
2.1 Preferred stocks	2,165,764	200,000	1,965,764	2,040,256
2.2 Common stocks	1,674,592,140	51,782,157	1,622,809,983	1,488,077,340
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	-	-	-	-
3.2 Other than first liens	-	-	-	-
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances)	119,973,747	20,973,747	99,000,000	99,000,000
4.2 Properties held for the production of income (less \$..... encumbrances)	-	-	-	-
4.3 Properties held for sale (less \$..... encumbrances)	-	-	-	-
5. Cash (\$.....196,670,292, Schedule E - Part 1), cash equivalents (\$.....185,820,679, Schedule E - Part 2) and short-term investments (\$.....137,592, Schedule DA)	382,628,563	-	382,628,563	356,949,828
6. Contract loans (including \$.....0 premium notes)	-	-	-	-
7. Derivatives (Schedule DB)	-	-	-	-
8. Other invested assets (Schedule BA)	580,125,693	15,021,281	565,104,412	467,646,729
9. Receivables for securities	492,621	-	492,621	2,230,730
10. Securities lending reinvested collateral assets (Schedule DL)	-	-	-	-
11. Aggregate write-ins for invested assets	-	-	-	-
12. Subtotals, cash and invested assets (Lines 1 to 11)	3,773,010,656	87,977,185	3,685,033,471	3,481,377,503
13. Title plants less \$.....0 charged off (for Title insurers only)	-	-	-	-
14. Investment income due and accrued	9,825,090	-	9,825,090	9,161,773
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	71,402,616	-	71,402,616	61,636,696
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)	-	-	-	-
15.3 Accrued retrospective premiums (\$.....18,394,917) and contracts subject to redetermination (\$.....25,746,200)	44,141,117	-	44,141,117	38,773,499
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	-	-	-	-
16.2 Funds held by or deposited with reinsured companies	-	-	-	-
16.3 Other amounts receivable under reinsurance contracts	-	-	-	-
17. Amounts receivable relating to uninsured plans	207,077,687	3,221,108	203,856,579	194,132,043
18.1 Current federal and foreign income tax recoverable and interest thereon	24,960,869	-	24,960,869	26,528,093
18.2 Net deferred tax asset	39,413,000	-	39,413,000	60,652,000
19. Guaranty funds receivable or on deposit	-	-	-	1,731,817
20. Electronic data processing equipment and software	4,530,067	4,370,795	159,272	278,117
21. Furniture and equipment, including health care delivery assets (\$.....0)	25,918,551	25,918,551	-	-
22. Net adjustment in assets and liabilities due to foreign exchange rates	-	-	-	-
23. Receivables from parent, subsidiaries and affiliates	21,877,615	21,877,523	92	24,616,579
24. Health care (\$.....60,362,509) and other amounts receivable	164,131,412	63,537,642	100,593,770	98,334,498
25. Aggregate write-ins for other-than-invested assets	47,065,470	46,587,891	477,579	470,239
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	4,433,354,150	253,490,695	4,179,863,455	3,997,692,857
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	-	-	-	-
28. Total (Lines 26 and 27)	4,433,354,150	253,490,695	4,179,863,455	3,997,692,857
Details of Write-Ins				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. PREPAID PREMIUM TAX ASSETS	11,681,356	11,681,356	-	-
2502. PREPAID PENSION COSTS	9,718,562	9,718,562	-	-
2503. OTHER PREPAID EXPENSES	23,956,703	23,956,703	-	-
2598. Summary of remaining write-ins for Line 25 from overflow page	1,708,849	1,231,270	477,579	470,239
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	47,065,470	46,587,891	477,579	470,239

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$..... reinsurance ceded).....	285,336,778	-	285,336,778	255,675,060
2. Accrued medical incentive pool and bonus amounts.....	2,264,083	-	2,264,083	1,895,331
3. Unpaid claims adjustment expenses.....	4,930,310	-	4,930,310	4,317,926
4. Aggregate health policy reserves, including the liability of \$..... for medical loss ratio rebate per the Public Health Service Act.....	66,647,980	-	66,647,980	46,966,191
5. Aggregate life policy reserves.....	-	-	-	-
6. Property/casualty unearned premium reserves.....	-	-	-	-
7. Aggregate health claim reserves.....	-	-	-	-
8. Premiums received in advance.....	89,794,294	-	89,794,294	98,433,423
9. General expenses due or accrued.....	237,565,820	-	237,565,820	230,896,297
10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized capital gains (losses)).....	-	-	-	1,127,066
10.2 Net deferred tax liability.....	-	-	-	-
11. Ceded reinsurance premiums payable.....	742,176	-	742,176	-
12. Amounts withheld or retained for the account of others.....	8,398,100	-	8,398,100	7,329,102
13. Remittances and items not allocated.....	147,056,431	-	147,056,431	138,268,918
14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current).....	-	-	-	-
15. Amounts due to parent, subsidiaries and affiliates.....	58,456,386	-	58,456,386	14,526,841
16. Derivatives.....	-	-	-	-
17. Payable for securities.....	849,011	-	849,011	623,433
18. Payable for securities lending.....	-	-	-	-
19. Funds held under reinsurance treaties (with \$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and \$.....0 certified reinsurers).....	-	-	-	-
20. Reinsurance in unauthorized and certified (\$.....0) companies.....	-	-	-	-
21. Net adjustments in assets and liabilities due to foreign exchange rates.....	-	-	-	-
22. Liability for amounts held under uninsured plans.....	89,110,957	-	89,110,957	71,161,679
23. Aggregate write-ins for other liabilities (including \$.....5,178,623 current).....	17,748,623	-	17,748,623	206,360,598
24. Total liabilities (Lines 1 to 23).....	1,008,900,949	-	1,008,900,949	1,077,581,865
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	-	-
26. Common capital stock.....	XXX	XXX	-	-
27. Preferred capital stock.....	XXX	XXX	-	-
28. Gross paid in and contributed surplus.....	XXX	XXX	-	-
29. Surplus notes.....	XXX	XXX	-	-
30. Aggregate write-ins for other-than-special surplus funds.....	XXX	XXX	-	-
31. Unassigned funds (surplus).....	XXX	XXX	3,170,962,506	2,920,110,992
32. Less treasury stock, at cost:				
32.1 0 shares common (value included in Line 26 \$.....0).....	XXX	XXX	-	-
32.2 0 shares preferred (value included in Line 27 \$.....0).....	XXX	XXX	-	-
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	3,170,962,506	2,920,110,992
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	4,179,863,455	3,997,692,857
Details of Write-Ins				
2301. OTHER LIABILITIES.....	6,812,580	-	6,812,580	58,159,725
2302. HEALTH ASSESSMENTS.....	7,650,000	-	7,650,000	6,940,000
2303. PAYMENTS IN PROCESS.....	-	-	-	138,455,667
2398. Summary of remaining write-ins for Line 23 from overflow page.....	3,286,043	-	3,286,043	2,805,206
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above).....	17,748,623	-	17,748,623	206,360,598
2501.....	XXX	XXX		
2502.....	XXX	XXX		
2503.....	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	XXX	XXX		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	XXX	XXX		
3001.....	XXX	XXX		
3002.....	XXX	XXX		
3003.....	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page.....	XXX	XXX		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above).....	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member months	XXX	12,711,038	13,177,714
2. Net premium income (including \$.....0 non-health premium income)	XXX	2,834,893,058	2,704,620,889
3. Change in unearned premium reserves and reserve for rate credits	XXX	(19,666,790)	17,784,788
4. Fee-for-service (net of \$.....0 medical expenses)	XXX	-	-
5. Risk revenue	XXX	-	-
6. Aggregate write-ins for other health care related revenues	XXX	-	-
7. Aggregate write-ins for other non-health revenues	XXX	-	-
8. Total revenues (Lines 2 to 7)	XXX	2,815,226,268	2,722,405,677
Hospital and Medical:			
9. Hospital/medical benefits	-	1,548,144,156	1,513,459,244
10. Other professional services	-	302,837,000	298,620,326
11. Outside referrals	-	98,239,227	93,008,087
12. Emergency room and out-of-area	-	111,128,390	106,464,576
13. Prescription drugs	-	404,995,218	340,594,338
14. Aggregate write-ins for other hospital and medical	-	-	-
15. Incentive pool, withhold adjustments and bonus amounts	-	7,833,898	8,230,868
16. Subtotal (Lines 9 to 15)	-	2,473,177,889	2,360,377,439
Less:			
17. Net reinsurance recoveries	-	1,322,044	-
18. Total hospital and medical (Lines 16 minus 17)	-	2,471,855,845	2,360,377,439
19. Non-health claims (net)	-	-	-
20. Claims adjustment expenses, including \$.....23,925,054 cost containment expenses	-	104,986,646	86,597,546
21. General administrative expenses	-	191,239,121	229,764,035
22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)	-	-	-
23. Total underwriting deductions (Lines 18 through 22)	-	2,768,081,612	2,676,739,020
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	47,144,656	45,666,657
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)	-	111,175,745	198,567,109
26. Net realized capital gains (losses) less capital gains tax of \$.....9,957,000	-	55,355,527	7,748,550
27. Net investment gains (losses) (Lines 25 plus 26)	-	166,531,272	206,315,659
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)]	-	-	-
29. Aggregate write-ins for other income or expenses	-	(28,182,685)	(19,142,070)
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	185,493,243	232,840,246
31. Federal and foreign income taxes incurred	XXX	9,263,986	51,821,000
32. Net income (loss) (Lines 30 minus 31)	XXX	176,229,257	181,019,246
Details of Write-Ins			
0601.	XXX	-	-
0602.	XXX	-	-
0603.	XXX	-	-
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	-	-
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	-	-
0701.	XXX	-	-
0702.	XXX	-	-
0703.	XXX	-	-
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	-	-
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	-	-
1401.	-	-	-
1402.	-	-	-
1403.	-	-	-
1498. Summary of remaining write-ins for Line 14 from overflow page	-	-	-
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	-	-	-
2901. OTHER EXPENSE	-	(28,182,685)	(19,142,070)
2902.	-	-	-
2903.	-	-	-
2998. Summary of remaining write-ins for Line 29 from overflow page	-	-	-
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	-	(28,182,685)	(19,142,070)

STATEMENT OF REVENUE AND EXPENSES (CONTINUED)

		1	2
CAPITAL & SURPLUS ACCOUNT		Current Year	Prior Year
33.	Capital and surplus prior reporting year.....	2,920,110,992	2,640,534,685
34.	Net income or (loss) from Line 32.....	176,229,257	181,019,246
35.	Change in valuation basis of aggregate policy and claim reserves.....	—	—
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....(609,000).....	86,251,119	68,469,925
37.	Change in net unrealized foreign exchange capital gain or (loss).....	9,724,979	(6,948,915)
38.	Change in net deferred income tax.....	(28,167,000)	12,082,000
39.	Change in nonadmitted assets.....	9,364,173	12,295,243
40.	Change in unauthorized and certified reinsurance.....	—	—
41.	Change in treasury stock.....	—	—
42.	Change in surplus notes.....	—	—
43.	Cumulative effect of changes in accounting principles.....	—	—
44.	Capital Changes:		
44.1	Paid in.....	—	—
44.2	Transferred from surplus (stock dividend).....	—	—
44.3	Transferred to surplus.....	—	—
45.	Surplus adjustments:		
45.1	Paid in.....	—	—
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.....	(2,551,014)	12,658,808
48.	Net change in capital and surplus (Lines 34 to 47).....	250,851,514	279,576,307
49.	Capital and surplus end of reporting year (Line 33 plus 48).....	3,170,962,506	2,920,110,992
Details of Write-Ins			
4701.	CHANGE IN PENSION AND OTHER POSTEMPLOYMENT BENEFIT OBLIGATION, NET OF TAX.....	(2,551,014)	12,658,808
4702.		
4703.		
4798.	Summary of remaining write-ins for Line 47 from overflow page.....		
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above).....	(2,551,014)	12,658,808

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	2,811,877,566	2,726,650,210
2. Net investment income.....	123,434,930	117,917,887
3. Miscellaneous income.....	—	—
4. Total (Lines 1 to 3).....	2,935,312,496	2,844,568,097
5. Benefit and loss related payments.....	2,432,277,829	2,369,544,384
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	—	—
7. Commissions, expenses paid and aggregate write-ins for deductions.....	294,501,463	267,148,760
8. Dividends paid to policyholders.....	—	—
9. Federal and foreign income taxes paid (recovered) net of \$.....9,957,000 tax on capital gains (losses).....	18,780,828	51,342,619
10. Total (Lines 5 through 9).....	2,745,560,120	2,688,035,763
11. Net cash from operations (Line 4 minus Line 10).....	189,752,376	156,532,334
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	532,444,729	1,820,962,659
12.2 Stocks.....	353,197,800	180,924,377
12.3 Mortgage loans.....	—	—
12.4 Real estate.....	—	—
12.5 Other invested assets.....	853,399	844,089
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(23)	1,099
12.7 Miscellaneous proceeds.....	1,963,687	6,503,081
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	888,459,592	2,009,235,305
13. Cost of investments acquired (long-term only exclude cash equivalents and short-term investments):		
13.1 Bonds.....	488,423,018	1,847,595,564
13.2 Stocks.....	273,979,715	146,283,539
13.3 Mortgage loans.....	—	—
13.4 Real estate.....	3,983,859	2,635,238
13.5 Other invested assets.....	149,512,613	179,170,800
13.6 Miscellaneous applications.....	196,444	91,140,299
13.7 Total investments acquired (Lines 13.1 to 13.6).....	916,095,649	2,266,825,440
14. Net increase / (decrease) in contract loans and premium notes.....	—	—
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(27,636,057)	(257,590,135)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	—	—
16.2 Capital and paid in surplus, less treasury stock.....	—	—
16.3 Borrowed funds.....	—	—
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	—	—
16.5 Dividends to stockholders.....	—	—
16.6 Other cash provided (applied).....	(136,437,584)	(50,850,843)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(136,437,584)	(50,850,843)
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).....	25,678,735	(151,908,644)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	356,949,828	508,858,472
19.2 End of year (Line 18 plus Line 19.1).....	382,628,563	356,949,828

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

20.0001.NON-CASH TRANSFER FROM BONDS TO OTHER INVESTED ASSETS.....	2,241,280	—
20.0002.NON-CASH DIVIDEND FROM SUBSIDIARY.....	—	89,000,000

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	2,834,893,058	75,032,520	1,356,374,726	498,885,237	1,384,115	39,068,396	387,022,513	-	-	-	-	-	477,125,551	-
2. Change in unearned premium reserves and reserve for rate credit	(19,666,790)	(70,260)	(540,484)	(480)	-	(1,614)	(19,053,952)	-	-	-	-	-	-	-
3. Fee-for-service (net of \$.....0 medical expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	XXX
4. Risk revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	XXX
5. Aggregate write-ins for other health care related revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	XXX
6. Aggregate write-ins for other non-health care related revenues	-	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
7. Total revenues (Lines 1 to 6)	2,815,226,268	74,962,260	1,355,834,242	498,884,757	1,384,115	39,066,782	367,968,561	-	-	-	-	-	477,125,551	-
8. Hospital/medical benefits	1,548,144,156	40,124,962	758,538,130	330,577,961	-	-	173,436,506	-	-	-	-	-	245,466,597	XXX
9. Other professional services	302,837,000	7,000,212	132,334,770	57,672,721	1,064,455	31,682,891	30,257,781	-	-	-	-	-	42,824,170	XXX
10. Outside referrals	98,239,227	2,546,175	48,133,889	20,977,196	-	-	11,005,608	-	-	-	-	-	15,576,359	XXX
11. Emergency room and out-of-area	111,128,390	2,880,237	54,449,142	23,729,442	-	-	12,449,564	-	-	-	-	-	17,620,005	XXX
12. Prescription drugs	404,995,218	12,594,121	192,249,555	2,260	-	-	106,555,370	-	-	-	-	-	93,593,912	XXX
13. Aggregate write-ins for other hospital and medical	-	-	-	-	-	-	-	-	-	-	-	-	-	XXX
14. Incentive pool, withhold adjustments and bonus amounts	7,833,898	414,970	7,418,928	-	-	-	-	-	-	-	-	-	-	XXX
15. Subtotal (Lines 8 to 14)	2,473,177,889	65,560,677	1,193,124,414	432,959,580	1,064,455	31,682,891	333,704,829	-	-	-	-	-	415,081,043	XXX
16. Net reinsurance recoveries	1,322,044	-	-	-	-	-	-	-	-	-	-	-	1,322,044	XXX
17. Total hospital and medical (Lines 15 minus 16)	2,471,855,845	65,560,677	1,193,124,414	432,959,580	1,064,455	31,682,891	333,704,829	-	-	-	-	-	413,758,999	XXX
18. Non-health claims (net)	-	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	-
19. Claims adjustment expenses including \$.....23,925,054 cost containment expenses	104,986,646	1,533,132	39,924,553	15,006,376	153,963	1,712,531	22,968,010	-	-	-	-	-	23,688,081	-
20. General administrative expenses	191,239,121	4,729,252	94,170,891	61,421,613	13,067	4,722,308	7,514,407	-	-	-	-	-	18,667,583	-
21. Increase in reserves for accident and health contracts	-	-	-	-	-	-	-	-	-	-	-	-	-	XXX
22. Increase in reserves for life contracts	-	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	-
23. Total underwriting deductions (Lines 17 to 22)	2,768,081,612	71,823,061	1,327,219,858	509,387,569	1,231,485	38,117,730	364,187,246	-	-	-	-	-	456,114,663	-
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	47,144,656	3,139,199	28,614,384	(10,502,812)	152,630	949,052	3,781,315	-	-	-	-	-	21,010,888	-
Details of Write-Ins														
0501.														XXX
0502.														XXX
0503.														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page														XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)														XXX
0601.		XXX	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	XXX
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0698. Summary of remaining write-ins for Line 6 from overflow page		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
1301.														XXX
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page														XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)														XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1.	Comprehensive (hospital and medical) individual.....	75,132,841	-	100,321	75,032,520
2.	Comprehensive (hospital and medical) group.....	1,358,104,626	-	1,729,900	1,356,374,726
3.	Medicare supplement.....	498,885,237	-	-	498,885,237
4.	Vision only.....	1,384,115	-	-	1,384,115
5.	Dental only.....	39,068,396	-	-	39,068,396
6.	Federal employees health benefits plan.....	387,022,513	-	-	387,022,513
7.	Title XVIII – Medicare.....	-	-	-	-
8.	Title XIX – Medicaid.....	-	-	-	-
9.	Credit A&H.....	-	-	-	-
10.	Disability income.....	-	-	-	-
11.	Long-term care.....	-	-	-	-
12.	Other health.....	481,462,265	-	4,336,714	477,125,551
13.	Health subtotal (Lines 1 through 12).....	2,841,059,993	-	6,166,935	2,834,893,058
14.	Life.....	-	-	-	-
15.	Property/casualty.....	-	-	-	-
16.	Totals (Lines 13 to 15).....	2,841,059,993	-	6,166,935	2,834,893,058

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14
		2	3											
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non-Health
1	Payments during the year:													
1.1	Direct	2,426,134,727	64,006,516	1,173,583,652	427,417,797	1,070,171	31,658,149	329,101,843	-	-	-	-	399,296,599	-
1.2	Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-
1.3	Reinsurance ceded	1,322,044	-	-	-	-	-	-	-	-	-	-	1,322,044	-
1.4	Net	2,424,812,683	64,006,516	1,173,583,652	427,417,797	1,070,171	31,658,149	329,101,843	-	-	-	-	397,974,555	-
2.	Paid medical incentive pools and bonuses	7,465,146	408,037	7,057,109	-	-	-	-	-	-	-	-	-	-
3.	Claim liability December 31, current year from Part 2A:													
3.1	Direct	285,336,778	7,971,000	138,192,140	72,699,000	34,949	1,915,185	30,726,000	-	-	-	-	33,798,504	-
3.2	Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3	Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
3.4	Net	285,336,778	7,971,000	138,192,140	72,699,000	34,949	1,915,185	30,726,000	-	-	-	-	33,798,504	-
4.	Claim reserve December 31, current year from Part 2D:													
4.1	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3	Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
4.4	Net	-	-	-	-	-	-	-	-	-	-	-	-	-
5.	Accrued medical incentive pools and bonuses, current year	2,264,083	107,770	2,156,313	-	-	-	-	-	-	-	-	-	-
6.	Net health care receivables (a)	(9,547,546)	(1,381,191)	591,554	242,217	-	-	735,014	-	-	-	-	(9,735,140)	-
7.	Amounts recoverable from reinsurers December 31, current year	-	-	-	-	-	-	-	-	-	-	-	-	-
8.	Claim liability December 31, prior year from Part 2A:													
8.1	Direct	255,675,060	8,213,000	125,478,752	66,915,000	40,665	1,890,443	25,388,000	-	-	-	-	27,749,200	-
8.2	Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-
8.3	Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
8.4	Net	255,675,060	8,213,000	125,478,752	66,915,000	40,665	1,890,443	25,388,000	-	-	-	-	27,749,200	-
9.	Claim reserve December 31, prior year from Part 2D:													
9.1	Direct	-	-	-	-	-	-	-	-	-	-	-	-	-
9.2	Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-
9.3	Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
9.4	Net	-	-	-	-	-	-	-	-	-	-	-	-	-
10.	Accrued medical incentive pools and bonuses, prior year	1,895,331	100,837	1,794,494	-	-	-	-	-	-	-	-	-	-
11.	Amounts recoverable from reinsurers December 31, prior year	-	-	-	-	-	-	-	-	-	-	-	-	-
12.	Incurred benefits:													
12.1	Direct	2,465,343,991	65,145,707	1,185,705,486	432,959,580	1,064,455	31,682,891	333,704,829	-	-	-	-	415,081,043	-
12.2	Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-
12.3	Reinsurance ceded	1,322,044	-	-	-	-	-	-	-	-	-	-	1,322,044	-
12.4	Net	2,464,021,947	65,145,707	1,185,705,486	432,959,580	1,064,455	31,682,891	333,704,829	-	-	-	-	413,758,999	-
13.	Incurred medical incentive pools and bonuses	7,833,898	414,970	7,418,928	-	-	-	-	-	-	-	-	-	-

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14
		2	3											
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Reported in Process of Adjustment:														
1.1 Direct	106,232,753	4,378,905	54,518,441	30,718,987	6,990	383,037	4,562,760	-	-	-	-	-	11,663,633	-
1.2 Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.4 Net	106,232,753	4,378,905	54,518,441	30,718,987	6,990	383,037	4,562,760	-	-	-	-	-	11,663,633	-
2. Incurred but Unreported:														
2.1 Direct	179,104,025	3,592,095	83,673,699	41,980,013	27,959	1,532,148	26,163,240	-	-	-	-	-	22,134,871	-
2.2 Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.3 Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.4 Net	179,104,025	3,592,095	83,673,699	41,980,013	27,959	1,532,148	26,163,240	-	-	-	-	-	22,134,871	-
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.2 Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3 Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3.4 Net	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4. TOTALS:														
4.1 Direct	285,336,778	7,971,000	138,192,140	72,699,000	34,949	1,915,185	30,726,000	-	-	-	-	-	33,798,504	-
4.2 Reinsurance assumed	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3 Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.4 Net	285,336,778	7,971,000	138,192,140	72,699,000	34,949	1,915,185	30,726,000	-	-	-	-	-	33,798,504	-

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

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) individual	6,224,883	57,781,633	165,492	7,805,508	6,390,375	8,213,000
2. Comprehensive (hospital and medical) group	111,360,571	1,062,223,081	2,530,758	135,661,382	113,891,329	125,478,752
3. Medicare supplement	61,330,066	366,087,731	1,726,053	70,972,947	63,056,119	66,915,000
4. Vision only	38,967	1,031,204	1,698	33,251	40,665	40,665
5. Dental only	1,348,643	30,309,506	93,039	1,822,146	1,441,682	1,890,443
6. Federal employees health benefits plan	25,124,604	303,977,239	4,296,135	26,429,865	29,420,739	25,388,000
7. Title XVIII – Medicare	–	–	–	–	–	–
8. Title XIX – Medicaid	–	–	–	–	–	–
9. Credit A&H	–	–	–	–	–	–
10. Disability income	–	–	–	–	–	–
11. Long-term care	–	–	–	–	–	–
12. Other health	23,059,022	374,915,533	942,657	32,855,847	24,001,679	27,749,200
13. Health subtotal (Lines 1 to 12)	228,486,756	2,196,325,927	9,755,832	275,580,946	238,242,588	255,675,060
14. Health care receivables (a)	36,401,180	81,258,367	14,694	507,866	36,415,874	127,729,653
15. Other non-health	–	–	–	–	–	–
16. Medical incentive pools and bonus amounts	1,279,838	6,185,308	–	2,264,083	1,279,838	1,895,331
17. Totals (Lines 13 - 14 + 15 + 16)	193,365,414	2,121,252,868	9,741,138	277,337,163	203,106,552	129,840,738

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

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	312,283	312,298	312,298	312,298	312,298
2. 2021	1,871,211	2,230,777	2,233,008	2,233,008	2,232,976
3. 2022	XXX	2,029,544	2,243,824	2,247,590	2,247,748
4. 2023	XXX	XXX	2,025,484	2,230,066	2,236,113
5. 2024	XXX	XXX	XXX	2,161,196	2,384,790
6. 2025	XXX	XXX	XXX	XXX	2,202,511

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	313,627	312,298	312,298	312,298	312,298
2. 2021	2,257,844	2,231,781	2,233,074	2,233,008	2,232,976
3. 2022	XXX	2,276,912	2,245,670	2,247,683	2,247,856
4. 2023	XXX	XXX	2,263,264	2,232,754	2,237,196
5. 2024	XXX	XXX	XXX	2,415,985	2,393,354
6. 2025	XXX	XXX	XXX	XXX	2,480,356

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	2,551,896	2,232,976	68,339	3.060	2,301,315	90.181	–	–	2,301,315	90.181
2. 2022	2,570,575	2,247,748	59,753	2.658	2,307,501	89.766	108	2	2,307,611	89.770
3. 2023	2,621,830	2,236,113	77,202	3.453	2,313,315	88.233	1,083	29	2,314,427	88.275
4. 2024	2,722,406	2,384,790	81,251	3.407	2,466,041	90.583	8,564	185	2,474,790	90.905
5. 2025	2,815,226	2,202,511	84,933	3.856	2,287,444	81.253	277,845	4,714	2,570,003	91.289

12.GT

UNDERWRITING AND INVESTMENT EXHIBIT
 PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)
HOSPITAL & MEDICAL

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	196,278	195,913	195,913	195,913	195,913
2. 2021	1,072,179	1,293,725	1,295,107	1,295,107	1,295,131
3. 2022	XXX	1,133,410	1,248,243	1,250,709	1,250,731
4. 2023	XXX	XXX	1,111,815	1,217,032	1,218,950
5. 2024	XXX	XXX	XXX	1,158,739	1,275,640
6. 2025	XXX	XXX	XXX	XXX	1,126,190

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	196,915	195,913	195,913	195,913	195,913
2. 2021	1,307,427	1,294,225	1,295,151	1,295,107	1,295,131
3. 2022	XXX	1,266,030	1,249,094	1,250,765	1,250,759
4. 2023	XXX	XXX	1,239,264	1,218,072	1,219,177
5. 2024	XXX	XXX	XXX	1,293,230	1,278,080
6. 2025	XXX	XXX	XXX	XXX	1,271,921

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	1,452,835	1,295,131	22,553	1.741	1,317,684	90.697	–		1,317,684	90.697
2. 2022	1,448,806	1,250,731	21,150	1.691	1,271,881	87.788	28		1,271,909	87.790
3. 2023	1,442,069	1,218,950	33,447	2.744	1,252,397	86.847	227	4	1,252,628	86.863
4. 2024	1,458,339	1,275,640	32,704	2.564	1,308,344	89.715	2,440	38	1,310,822	89.885
5. 2025	1,430,797	1,126,190	39,192	3.480	1,165,382	81.450	145,731	2,265	1,313,378	91.793

12.HM

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	64,394	64,565	64,565	64,565	64,565
2. 2021	300,240	374,948	375,128	375,128	375,090
3. 2022	XXX	330,862	381,951	382,221	382,148
4. 2023	XXX	XXX	341,935	396,651	398,037
5. 2024	XXX	XXX	XXX	355,441	415,495
6. 2025	XXX	XXX	XXX	XXX	366,088

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior	64,531	64,565	64,565	64,565	64,565
2. 2021	386,010	375,019	375,129	375,128	375,090
3. 2022	XXX	393,216	382,025	382,231	382,154
4. 2023	XXX	XXX	401,030	396,929	398,140
5. 2024	XXX	XXX	XXX	422,068	417,113
6. 2025	XXX	XXX	XXX	XXX	437,061

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021	447,801	375,090	14,530	3.874	389,620	87.007	-		389,620	87.007
2. 2022	458,152	382,148	12,614	3.301	394,762	86.164	6		394,768	86.165
3. 2023	461,665	398,037	12,681	3.186	410,718	88.965	103	2	410,823	88.987
4. 2024	478,442	415,495	14,833	3.570	430,328	89.944	1,618	25	431,971	90.287
5. 2025	498,885	366,088	13,902	3.797	379,990	76.168	70,973	1,104	452,067	90.615

12.MS

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	1,456	1,510	1,510	1,510	1,510
2. 2021.....	24,943	26,328	26,356	26,356	26,357
3. 2022.....	XXX	25,939	27,338	27,378	27,378
4. 2023.....	XXX	XXX	27,437	28,918	28,946
5. 2024.....	XXX	XXX	XXX	29,810	31,131
6. 2025.....	XXX	XXX	XXX	XXX	30,309

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	1,479	1,510	1,510	1,510	1,510
2. 2021.....	26,683	26,364	26,356	26,356	26,357
3. 2022.....	XXX	27,569	27,374	27,378	27,378
4. 2023.....	XXX	XXX	28,972	28,978	28,946
5. 2024.....	XXX	XXX	XXX	31,641	31,224
6. 2025.....	XXX	XXX	XXX	XXX	32,132

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....	32,537	26,357	1,233	4.678	27,590	84.796	–	–	27,590	84.796
2. 2022.....	34,015	27,378	1,221	4.460	28,599	84.078	–	–	28,599	84.078
3. 2023.....	35,676	28,946	1,551	5.358	30,497	85.483	–	–	30,497	85.483
4. 2024.....	38,391	31,131	1,595	5.124	32,726	85.244	93	1	32,820	85.489
5. 2025.....	39,067	30,309	1,686	5.563	31,995	81.898	1,823	28	33,846	86.636

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	25	26	26	26	26
2. 2021.....	793	818	819	819	819
3. 2022.....	XXX	849	882	883	883
4. 2023.....	XXX	XXX	907	934	935
5. 2024.....	XXX	XXX	XXX	966	1,004
6. 2025.....	XXX	XXX	XXX	XXX	1,031

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	25	26	26	26	26
2. 2021.....	819	819	819	819	819
3. 2022.....	XXX	883	883	883	883
4. 2023.....	XXX	XXX	936	935	935
5. 2024.....	XXX	XXX	XXX	1,005	1,006
6. 2025.....	XXX	XXX	XXX	XXX	1,064

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....	1,092	819	95	11.600	914	83.700	–	–	914	83.700
2. 2022.....	1,131	883	115	13.024	998	88.240	–	–	998	88.240
3. 2023.....	1,195	935	150	16.043	1,085	90.795	–	–	1,085	90.795
4. 2024.....	1,250	1,004	117	11.653	1,121	89.680	2	2	1,123	89.840
5. 2025.....	1,384	1,031	153	14.840	1,184	85.549	33	1	1,218	88.006

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UNDERWRITING AND INVESTMENT EXHIBIT
 PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)
FEDERAL EMPLOYEES HEALTH BENEFITS PLAN

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	32,242	32,396	32,396	32,396	32,396
2. 2021.....	231,942	274,478	275,118	275,118	275,098
3. 2022.....	XXX	247,128	269,314	270,303	270,512
4. 2023.....	XXX	XXX	278,151	298,833	301,547
5. 2024.....	XXX	XXX	XXX	297,981	320,202
6. 2025.....	XXX	XXX	XXX	XXX	303,977

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	32,661	32,396	32,396	32,396	32,396
2. 2021.....	274,530	274,701	275,138	275,118	275,098
3. 2022.....	XXX	271,014	269,946	270,330	270,586
4. 2023.....	XXX	XXX	301,545	299,815	302,300
5. 2024.....	XXX	XXX	XXX	322,360	323,671
6. 2025.....	XXX	XXX	XXX	XXX	330,407

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....	292,734	275,098	17,036	6.193	292,134	99.795	–	–	292,134	99.795
2. 2022.....	295,556	270,512	16,666	6.161	287,178	97.165	74	2	287,254	97.191
3. 2023.....	328,152	301,547	18,896	6.266	320,443	97.651	753	23	321,219	97.887
4. 2024.....	353,878	320,202	22,190	6.930	342,392	96.754	3,469	106	345,967	97.764
5. 2025.....	367,968	303,977	22,161	7.290	326,138	88.632	26,430	805	353,373	96.034

UNDERWRITING AND INVESTMENT EXHIBIT
 PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)
TITLE XVIII MEDICARE

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

UNDERWRITING AND INVESTMENT EXHIBIT
 PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (\$000 Omitted)
TITLE XIX MEDICAID

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....					
2. 2021.....					
3. 2022.....	XXX				
4. 2023.....	XXX	XXX			
5. 2024.....	XXX	XXX	XXX		
6. 2025.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....										
2. 2022.....										
3. 2023.....										
4. 2024.....										
5. 2025.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	17,888	17,888	17,888	17,888	17,888
2. 2021.....	241,114	260,480	260,480	260,480	260,481
3. 2022.....	XXX	291,356	316,096	316,096	316,096
4. 2023.....	XXX	XXX	265,239	287,698	287,698
5. 2024.....	XXX	XXX	XXX	318,259	341,318
6. 2025.....	XXX	XXX	XXX	XXX	374,916

Section B – Incurred Health Claims

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 2021	2 2022	3 2023	4 2024	5 2025
1. Prior.....	18,016	17,888	17,888	17,888	17,888
2. 2021.....	262,375	260,653	260,481	260,480	260,481
3. 2022.....	XXX	318,200	316,348	316,096	316,096
4. 2023.....	XXX	XXX	291,517	288,025	287,698
5. 2024.....	XXX	XXX	XXX	345,681	342,260
6. 2025.....	XXX	XXX	XXX	XXX	407,771

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2021.....	324,897	260,481	12,892	4.949	273,373	84.141	–	–	273,373	84.141
2. 2022.....	332,915	316,096	7,987	2.527	324,083	97.347	–	–	324,083	97.347
3. 2023.....	353,073	287,698	10,477	3.642	298,175	84.451	–	–	298,175	84.451
4. 2024.....	392,106	341,318	9,812	2.875	351,130	89.550	942	15	352,087	89.794
5. 2025.....	477,125	374,916	7,839	2.091	382,755	80.221	32,855	511	416,121	87.214

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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	59,125	(86,531)	151,764	(5,135)	-	(973)	-	-	-	-	-	-	-
2. Additional policy reserves (a)	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Reserve for future contingent benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Reserve for rate credits or experience rating refunds (including \$.....0 for investment income)	64,617,855	-	29,268,478	-	-	-	35,349,377	-	-	-	-	-	-
5. Aggregate write-ins for other policy reserves	1,971,000	-	1,971,000	-	-	-	-	-	-	-	-	-	-
6. Totals (gross)	66,647,980	(86,531)	31,391,242	(5,135)	-	(973)	35,349,377	-	-	-	-	-	-
7. Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
8. Totals (Net) (Page 3, Line 4)	66,647,980	(86,531)	31,391,242	(5,135)	-	(973)	35,349,377	-	-	-	-	-	-
9. Present value of amounts not yet due on claims	-	-	-	-	-	-	-	-	-	-	-	-	-
10. Reserve for future contingent benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
11. Aggregate write-ins for other claim reserves	-	-	-	-	-	-	-	-	-	-	-	-	-
12. Totals (gross)	-	-	-	-	-	-	-	-	-	-	-	-	-
13. Reinsurance ceded	-	-	-	-	-	-	-	-	-	-	-	-	-
14. Totals (Net) (Page 3, Line 7)	-	-	-	-	-	-	-	-	-	-	-	-	-
Details of Write-Ins													
0501. ACA RISK ADJUSTMENT PAYABLE	1,971,000	-	1,971,000	-	-	-	-	-	-	-	-	-	-
0502.	-	-	-	-	-	-	-	-	-	-	-	-	-
0503.	-	-	-	-	-	-	-	-	-	-	-	-	-
0598. Summary of remaining write-ins for Line 5 from overflow page	-	-	-	-	-	-	-	-	-	-	-	-	-
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	1,971,000	-	1,971,000	-	-	-	-	-	-	-	-	-	-
1101.	-	-	-	-	-	-	-	-	-	-	-	-	-
1102.	-	-	-	-	-	-	-	-	-	-	-	-	-
1103.	-	-	-	-	-	-	-	-	-	-	-	-	-
1198. Summary of remaining write-ins for Line 11 from overflow page	-	-	-	-	-	-	-	-	-	-	-	-	-
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	-	-	-	-	-	-	-	-	-	-	-	-	-

(a) Includes \$ – premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$.....13,475,025 for occupancy of own building).....	210,671	407,421	16,255,607		16,873,699
2. Salaries, wages and other benefits.....	18,133,206	34,770,009	124,577,725	42,933	177,523,873
3. Commissions (less \$.....0 ceded plus \$.....0 assumed).....	–	–	46,263,767		46,263,767
4. Legal fees and expenses.....	–	–	3,186,915		3,186,915
5. Certifications and accreditation fees.....	–	–	–		–
6. Auditing, actuarial and other consulting services.....	–	33,270	479,490		512,760
7. Traveling expenses.....	73,653	122,340	2,210,983		2,406,976
8. Marketing and advertising.....	130,654	5,181	2,926,382		3,062,217
9. Postage, express and telephone.....	188,246	2,527,380	2,329,032		5,044,658
10. Printing and office supplies.....	143,008	571,978	971,726		1,686,712
11. Occupancy, depreciation and amortization.....	471,492	879,345	2,725,584		4,076,421
12. Equipment.....	21,402	40,711	557,302		619,415
13. Cost or depreciation of EDP equipment and software.....	3,285,803	1,645,406	29,558,348		34,489,557
14. Outsourced services including EDP, claims, and other services.....	9,173,319	45,922,531	37,015,223		92,111,073
15. Boards, bureaus and association fees.....	29,555	4,015	1,543,448	57,165	1,634,183
16. Insurance, except on real estate.....	149,502	273,796	1,804,390		2,227,688
17. Collection and bank service charges.....	–	–	–	358,477	358,477
18. Group service and administration fees.....	8,223,310	14,881,195	–		23,104,505
19. Reimbursements by uninsured plans.....	(23,812,613)	(28,422,763)	(107,964,421)		(160,199,797)
20. Reimbursements from fiscal intermediaries.....	–	–	–		–
21. Real estate expenses.....	55,062	105,781	465,374		626,217
22. Real estate taxes.....	202,963	371,636	1,184,145		1,758,744
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....	–	–	–		–
23.2 State premium taxes.....	–	–	18,894,110		18,894,110
23.3 Regulatory authority licenses and fees.....	–	–	(79,625)		(79,625)
23.4 Payroll taxes.....	915,395	1,584,209	5,158,338	85	7,658,027
23.5 Other (excluding federal income and real estate taxes).....	–	–	996,845		996,845
24. Investment expenses not included elsewhere.....	–	–	–	5,906,574	5,906,574
25. Aggregate write-ins for expenses.....	6,330,426	5,338,151	178,433	–	11,847,010
26. Total expenses incurred (Lines 1 to 25).....	23,925,054	81,061,592	191,239,121	6,365,234	(a) 302,591,001
27. Less expenses unpaid December 31, current year.....	1,123,552	3,806,758	235,976,115	1,589,705	242,496,130
28. Add expenses unpaid December 31, prior year.....	931,912	3,386,014	229,358,982	1,537,315	235,214,223
29. Amounts receivable relating to uninsured plans, prior year.....	–	–	210,074,063		210,074,063
30. Amounts receivable relating to uninsured plans, current year.....	–	–	207,077,687	–	207,077,687
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30).....	23,733,414	80,640,848	181,625,612	6,312,844	292,312,718
Details of Write-Ins					
2501. BLUECARD HOME ACCESS FEES.....	6,321,685	4,214,456	–	–	10,536,141
2502. MISCELLANEOUS EXPENSES AND REIMBURSEMENTS.....	8,741	1,123,695	178,433	–	1,310,869
2503.....					
2598. Summary of remaining write-ins for Line 25 from overflow page.....					
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	6,330,426	5,338,151	178,433	–	11,847,010

(a) Includes management fees of \$ – 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) 1,518,144	1,673,578
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 52,582,878	52,858,731
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 45,271	46,187
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	25,185,962	25,215,605
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d) 13,475,025	13,475,025
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 15,938,382	16,210,297
7.	Derivative instruments	(f)	
8.	Other invested assets	17,306,478	17,306,478
9.	Aggregate write-ins for investment income	1,017,477	1,017,477
10.	Total gross investment income	127,069,617	127,803,378
11.	Investment expenses		(g) 6,365,149
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 85
13.	Interest expense		(h) 3,644,233
14.	Depreciation on real estate and other invested assets		(i) 6,618,166
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15)		16,627,633
17.	Net investment income (Line 10 minus Line 16)		111,175,745
Details of Write-Ins			
0901.	MISCELLANEOUS INVESTMENT INCOME	1,017,477	1,017,477
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	1,017,477	1,017,477
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$3,647,245 accrual of discount less \$9,899,374 amortization of premium and less \$1,632,145 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$13,475,025 for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$5,511 accrual of discount less \$65 amortization of premium and less \$34,823 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$6,618,166 depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	(58,229)		(58,229)		
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)	(896,420)	(911,923)	(1,808,343)	1,981,200	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	(74,697)	5,480	(69,217)	(134,295)	211,861
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	69,837,091	30,021	69,867,112	37,986,095	9,513,118
2.21	Common stocks of affiliates				97,657,056	
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments	(23)	(196,444)	(196,467)		
7.	Derivative instruments					
8.	Other invested assets	(47,347)	(2,374,982)	(2,422,329)	(51,847,937)	
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	68,760,375	(3,447,848)	65,312,527	85,642,119	9,724,979
Details of Write-Ins						
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 – Col. 1)
1. Bonds (Schedule D).....	-	-	-
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	200,000	552,485	352,485
2.2 Common stocks.....	51,782,157	50,274,178	(1,507,979)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	-	-	-
3.2 Other than first liens.....	-	-	-
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	20,973,747	23,608,054	2,634,307
4.2 Properties held for the production of income.....	-	-	-
4.3 Properties held for sale.....	-	-	-
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	-	-	-
6. Contract loans.....	-	-	-
7. Derivatives (Schedule DB).....	-	-	-
8. Other invested assets (Schedule BA).....	15,021,281	15,848,554	827,273
9. Receivables for securities.....	-	-	-
10. Securities lending reinvested collateral assets (Schedule DL).....	-	-	-
11. Aggregate write-ins for invested assets.....	-	-	-
12. Subtotals, cash and invested assets (Lines 1 to 11).....	87,977,185	90,283,271	2,306,086
13. Title plants (for Title insurers only).....	-	-	-
14. Investment income due and accrued.....	-	-	-
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	-	-	-
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	-	-	-
15.3 Accrued retrospective premiums and contracts subject to redetermination.....	-	-	-
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	-	-	-
16.2 Funds held by or deposited with reinsured companies.....	-	-	-
16.3 Other amounts receivable under reinsurance contracts.....	-	-	-
17. Amounts receivable relating to uninsured plans.....	3,221,108	15,942,020	12,720,912
18.1 Current federal and foreign income tax recoverable and interest thereon.....	-	-	-
18.2 Net deferred tax asset.....	-	5,641,000	5,641,000
19. Guaranty funds receivable or on deposit.....	-	-	-
20. Electronic data processing equipment and software.....	4,370,795	4,702,778	331,983
21. Furniture and equipment, including health care delivery assets.....	25,918,551	30,009,210	4,090,659
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	-	-	-
23. Receivables from parent, subsidiaries and affiliates.....	21,877,523	12,971,828	(8,905,695)
24. Health care and other amounts receivable.....	63,537,642	54,650,144	(8,887,498)
25. Aggregate write-ins for other-than-invested assets.....	46,587,891	48,654,617	2,066,726
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	253,490,695	262,854,868	9,364,173
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	-	-	-
28. Total (Lines 26 and 27).....	253,490,695	262,854,868	9,364,173
Details of Write-Ins			
1101.....			
1102.....			
1103.....			
1198. Summary of remaining write-ins for Line 11 from overflow page.....			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....			
2501. PREPAID PREMIUM TAX ASSETS.....	11,681,356	12,298,421	617,065
2502. PREPAID PENSION COSTS.....	9,718,562	20,795,651	11,077,089
2503. OTHER PREPAID EXPENSES.....	23,956,703	14,231,963	(9,724,740)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,231,270	1,328,582	97,312
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	46,587,891	48,654,617	2,066,726

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.....						
2. Provider Service Organizations.....						
3. Preferred Provider Organizations.....	752,336	742,276	750,883	749,856	753,634	8,979,030
4. Point of Service.....						
5. Indemnity Only.....	152,221	148,565	147,819	147,489	146,501	1,774,898
6. Aggregate write-ins for other lines of business.....	175,307	164,842	163,346	162,401	161,498	1,957,110
7. Total.....	1,079,864	1,055,683	1,062,048	1,059,746	1,061,633	12,711,038
Details of Write-Ins						
0601. DENTAL.....	106,504	108,118	107,830	107,526	107,254	1,293,128
0602. MEDICARE PART D.....	55,049	42,331	41,217	40,641	40,214	492,898
0603. VISION.....	13,754	14,393	14,299	14,234	14,030	171,084
0698. Summary of remaining write-ins for Line 6 from overflow page.....						
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	175,307	164,842	163,346	162,401	161,498	1,957,110

Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Wellmark, Inc. (the Company) have been prepared in conformity with the accounting practices prescribed by the National Association of Insurance Commissioners (NAIC) and the State of Iowa.

The NAIC Accounting Practices and Procedures manual has been adopted as a component of prescribed or permitted practices by the State of Iowa. The Commissioner of Insurance has the right to permit specific practices that deviate from prescribed practices. The Company does not have any permitted practices.

	SSAP #	F/S Page	F/S Line #	2025	2024
Net Income					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 176,229,257	\$ 181,019,246
(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	<u>\$ 176,229,257</u>	<u>\$ 181,019,246</u>
Surplus					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 3,170,962,506	\$ 2,920,110,992
(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	<u>\$ 3,170,962,506</u>	<u>\$ 2,920,110,992</u>

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

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

C. Accounting Policy

Premiums on fully insured accident and health plans are billed in advance of their respective coverage periods. Receivables and income for such premiums are recorded at the effective date of the coverage period. Premiums received in advance and any unearned portion of premiums are recorded on the balance sheets as premiums received in advance and unearned premiums and reported as income when earned.

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Other costs, such as premium taxes and other underwriting expenses, are also charged to operations as incurred.

Real estate is carried at depreciated cost, less encumbrances. The fair value of real estate owned is determined by an external appraisal. To the extent the depreciated cost exceeds the fair value, this excess has been nonadmitted.

In addition, the Company uses the following accounting policies:

(1) Short-term investments

Short-term investments that are NAIC designation 1 or 2 are reported at cost adjusted for amortization of premiums and accretion of discounts using the constant yield method. Short-term investments that are NAIC designation 3 through 6 are stated at the lower of amortized cost or fair value.

(2) Bonds, mandatory convertible securities, and SVO-identified investments per SSAP No. 26

Bonds that are NAIC designation 1 or 2 are reported at cost adjusted for amortization of premiums and accretion of discounts using the constant yield method. Bonds that are NAIC designation 3 through 6 are stated at the lower of amortized cost or fair value. When a decline in the fair value of a bond has been determined to be other-than-temporary, the Company evaluates whether the decline is interest or credit related. For those credit-related declines in value that are considered to be other-than-temporary, the bond's carrying value is reduced and a loss is realized on the Statement of Revenue and Expenses. Surplus notes that are rated by an NAIC credit rating provider and have an NAIC designation of 1 are reported at cost, adjusted for amortization of premiums and accretion of discounts using the constant yield method.

(3) Common stocks

Unaffiliated common stocks are reported at fair value. When a decline in the fair value of an unaffiliated common stock is considered to be other than temporary, the book value of the stock is reduced to fair value and a loss is realized on the Statement of Revenue and Expenses.

(4) Preferred stocks

Preferred stock is reported based on the underlying characteristics of the security (redeemable or perpetual) and the quality rating of the security expressed as an NAIC designation. When a decline in the fair value of a preferred stock is considered other than temporary, the book value of the stock is reduced to fair value, and a loss is realized on the Statement of Revenue and Expenses.

(5) Mortgage loans - Not Applicable

Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern (Continued)

(6) Asset-backed securities

Asset-backed securities that are NAIC designation 1 or 2 are reported at cost adjusted for amortization of premiums and accretion of discounts using the constant yield method. Amortization of premiums and accretion of discounts on asset-backed securities is adjusted quarterly using current estimated future cash flows, including any new prepayment assumptions, using the prospective adjustment method. Asset-backed securities are stated at the lower of amortized cost or fair value if they are NAIC designation 3 through 6.

(7) Investments in subsidiaries, controlled and affiliated entities

Common stock of the Company's insurance subsidiaries is carried based on the underlying statutory equity of the entities and is nonadmitted for those entities where statutory basis audited financial statements are not obtained. The ownership interest in the Company's non-insurance subsidiaries is carried based on the underlying GAAP equity of the investees and are nonadmitted for those investees where GAAP basis audited financial statements are not available. For any non-insurance subsidiaries in a retained deficit position, the carrying value is reported at \$0.

(8) Investments in joint ventures, partnerships and limited liability companies

The Company has ownership interest in an affiliated joint venture. This investment is in a downstream noninsurance holding company and the Company utilizes a look-through approach to carry this investment at the underlying statutory equity of the insurance entity owned by the holding company. See Note #10 L.

The Company has minor ownership interests in three limited partnerships. The Company carries these interests based on the underlying audited GAAP equity of the investees.

The Company also has minor ownership interests in limited liability companies. These interests are carried based on the underlying GAAP equity of the investees and are nonadmitted for those investees where GAAP basis audited financial statements are not available. For any limited liability company investment in a retained deficit position, the carrying value is reported at \$0.

(9) Derivatives - Not Applicable

(10) Investment income as a factor in the premium deficiency calculation

The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with Statement of Statutory Accounting Principles (SSAP) No. 54, Individual and Group Accident and Health Contracts.

(11) Liabilities for losses and loss/claim adjustment expenses

The Company provides a liability for unpaid and unreported benefits, which represents the estimated ultimate cost of benefits incurred through the balance sheet date. The liability is estimated on the basis of past experience and accumulated statistical data. Subsequent actual benefit experience may differ from the estimated liability due to variances in estimated and actual utilization of health care services, the amount of charges and other factors. These estimates are continuously reviewed and, as adjustments become necessary, such adjustments are reflected in current operations.

(12) Changes in capitalization policy - Not Applicable

(13) Pharmaceutical rebate receivables

The Company estimates pharmaceutical rebates utilizing past experience and accumulated statistical data. These estimates are continuously reviewed, and any adjustments are reflected in current operations.

D. Going Concern

Management has evaluated the Company's ability to continue as a going concern and has concluded that there are no events or circumstances that raise any doubt about the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors - Not Applicable

3. Business Combinations and Goodwill - Not Applicable

4. Discontinued Operations - Not Applicable

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable

B. Debt Restructuring - Not Applicable

C. Reverse Mortgages - Not Applicable

D. Asset-Backed Securities

(1) Prepayment assumptions

For fixed-rate agency mortgage-backed securities, prepayment speeds are calculated utilizing Mortgage Industry Advisory Corporation (MIAC) Mortgage Industry Medians (MIMs). MIMs are derived from a semi-monthly dealer-consensus survey of long-term prepayment projections. For other asset-backed securities, prepayment assumptions are utilized from Moody's Analytics. Moody's applies a flat economic credit model and utilizes a vector of multiple monthly speeds as opposed to a single speed for more robust projections. In instances where Moody's projections are not available, data from Refinitiv is used, which utilizes the median prepayment speed from contributors' models.

Notes to the Financial Statements

5. Investments (Continued)

- (2) Asset-backed securities with a recognized other-than-temporary impairment (OTTI) - Not Applicable
- (3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP	Book / Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized OTTI	Amortized Cost After OTTI	Fair Value at Time of OTTI	Date of Financial Statement Where Reported
30247D-AD-3	\$ 145,599	\$ 120,319	\$ 25,280	\$ 120,319	\$ 115,517	12/01/2025
933631-AD-5	256,251	232,024	24,227	232,024	232,024	12/31/2025
32055G-AB-7	28,570	6,876	21,693	6,876	6,876	12/31/2025
45661X-AB-8	852,747	826,547	26,200	826,547	741,572	12/31/2025
17311Y-AC-7	652,213	592,242	59,970	592,242	588,868	12/01/2025
40431L-AB-4	91,212	68,714	22,498	68,714	68,700	12/01/2025
36297T-AB-8	485,951	338,112	147,839	338,112	338,081	12/01/2025
02660U-AA-8	1,323,183	1,254,745	68,438	1,254,745	1,148,374	12/31/2025
12567A-AB-3	1,140,991	1,113,182	27,809	1,113,182	1,083,519	12/31/2025
525229-AG-5	1,126,268	1,103,642	22,626	1,103,642	942,001	12/31/2025
74922K-AH-8	3,111,389	2,962,110	149,280	2,962,110	2,584,375	12/31/2025
76112B-LP-3	1,974,254	1,948,706	25,549	1,948,706	1,869,878	12/31/2025
70069F-MU-8	2,353,592	2,332,435	21,157	2,332,435	2,332,435	12/31/2025
25150W-AB-0	1,312,540	1,281,772	30,768	1,281,772	1,198,506	12/31/2025
3622MP-AV-0	1,712,543	1,667,445	45,099	1,667,445	1,115,067	12/01/2025
36257U-AN-7	1,025,010	943,012	81,998	943,012	932,572	12/31/2025
12530M-AA-3	700,405	588,912	111,493	588,912	588,912	12/31/2025
Total	XXX	XXX	<u>\$ 911,924</u>	XXX	XXX	XXX

- (4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss

a. Aggregate amount of unrealized losses	
1. Less than 12 months	\$ 827,980
2. 12 months or longer	11,327,282
b. The aggregate related fair value of securities with unrealized losses	
1. Less than 12 months	\$ 62,150,258
2. 12 months or longer	136,674,329

- (5) Support for concluding impairments are not other-than-temporary

The unrealized losses on the Company's investments in asset-backed securities were due to temporary changes in interest rates and market conditions. The contractual cash flows of the agency mortgage-backed investments are guaranteed by an agency of the U.S. government and the non-agency mortgage-backed and asset-backed securities include collateral which reduce the risk of loss. Based on cash flow projections, the Company believes it will recover the carrying value of these investments. Because the Company does not have the intent to sell these securities, nor is it more likely than not the Company will be required to sell these securities until a recovery of carrying value, which may be maturity, the Company does not consider these investments to be other-than-temporarily impaired.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Repurchase Transaction - Cash Taker - Overview of Secured Borrowing Transactions

Wellmark does not engage in repurchase transactions as a cash taker.

- (1) Information regarding the company policy or strategies for engaging in repo programs, policy for requiring collateral

The Company participates in a repurchase agreement with Bankers Trust (the Bank). The repurchase agreement is an obligation of the Bank to repay the Company the principal amount invested by the Company with interest upon demand by the Company. To secure the obligations under the repurchase agreement, the Bank grants to the Company an undivided security interest in certain United States government securities having a market value equal to at least 102% of the principal amount invested. The United States government securities comprising the collateral are at all times owned by the Bank; therefore, this collateral was not recorded on the Company's statutory Balance Sheet. Since the repurchase agreement matures upon demand, there is no asset-liability mismatch.

- (2) Type of repo trades used

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Bilateral (Yes/No)	YES	YES	YES	YES
b. Tri-Party (Yes/No)	NO	NO	NO	NO

Notes to the Financial Statements

5. Investments (Continued)

(3) Original (flow) & residual maturity

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Open - No maturity.....	\$ 18,132,215	\$ 34,431,625	\$ 52,734,676	\$ 69,319,570
2. Overnight.....				
3. 2 days to 1 week.....				
4. Over 1 week to 1 month.....				
5. Over 1 month to 3 months.....				
6. Over 3 months to 1 year.....				
7. Over 1 year.....				
b. Ending Balance				
1. Open - No maturity.....	\$ 4,553,459	\$ 6,695,446	\$ 7,052,796	\$ 3,709,165
2. Overnight.....				
3. 2 days to 1 week.....				
4. Over 1 week to 1 month.....				
5. Over 1 month to 3 months.....				
6. Over 3 months to 1 year.....				
7. Over 1 year.....				

(4) Fair value of securities sold and/or acquired that resulted in default - Not Applicable

(5) Securities "sold" under repo - secured borrowing

The Company deposits cash into an overnight sweep account. The Bank sweeps cash out of the Company's account and invests these funds into a Repurchase Agreement. The Company has not sold any securities as part of this agreement.

(6) Securities sold under repo - secured borrowing by NAIC designation

The Company deposits cash into an overnight sweep account. The Bank sweeps cash out of the Company's account and invests these funds into a Repurchase Agreement. The Company has not sold any securities as part of this agreement.

(7) Collateral received - secured borrowing

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Cash.....	\$	\$	\$	\$
2. Securities (FV).....	18,495,660	35,120,258	53,789,699	69,686,042
b. Ending Balance				
1. Cash.....	\$	\$	\$	\$
2. Securities (FV).....	4,644,949	6,829,511	7,193,984	3,783,835

(8) Cash & non-cash collateral received - secured borrowing by NAIC designation

Ending Balance	(1) None	(2) NAIC 1	(3) NAIC 2	(4) NAIC 3	(5) NAIC 4	(6) NAIC 5	(7) NAIC 6	(8) Does Not Qualify as Admitted
a. Cash.....	\$	\$	\$	\$	\$	\$	\$	\$
b. ICO - FV.....								
c. ABS - FV.....		3,783,835						
d. Preferred stock - FV.....								
e. Common stock.....								
f. Mortgage loans - FV.....								
g. Real estate - FV.....								
h. Derivatives - FV.....								
i. Other Invested Assets - FV.....								
j. Total collateral assets - FV (sum of a through i).....	\$	\$ 3,783,835	\$	\$	\$	\$	\$	\$

(9) Allocation of aggregate collateral by remaining contractual maturity

	Fair Value
a. Overnight and continuous.....	\$ 3,783,835
b. 30 Days or less.....	
c. 31 to 90 Days.....	
d. More than 90 Days.....	

(10) Allocation of aggregate collateral reinvested by remaining contractual maturity

The Bank holds the collateral for the benefit of the Company during the term of the repurchase agreement. The Company does not have any authority to reinvest the collateral.

Notes to the Financial Statements

5. Investments (Continued)

(11) Liability to return collateral - secured borrowing (total)

The Bank holds the collateral for the benefit of the Company during the term of the repurchase agreement. The Bank retains all rights of ownership in the collateral unless or until a default under the repurchase agreement. As a result, no liability has been recognized on the Company's Balance Sheet.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable

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. Investments in Tax Credit Structures (tax credit investments) - Not Applicable

L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	(1) Total Gross (Admitted & Nonadmitted) Restricted from Current Year	(2) Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	(3) Increase / (Decrease) (1 minus 2)	(4) Total Current Year Nonadmitted Restricted	(5) Total Current Year Admitted Restricted (1 minus 4)	(6) Gross (Admitted & Nonadmitted) Restricted to Total Assets	(7) Admitted Restricted to Total Admitted Assets	(8) Amount Reported in General Interrogatories	(9) Difference from Note and GI	(10) GI Ref
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%	XXX	XXX	XXX
b. Collateral held under security lending agreements								-	-	25.04+25.05
c. Subject to repurchase agreements	3,709,165	3,347,035	362,130		3,709,165	0.084	0.089	3,709,165	-	26.21
d. Subject to reverse repurchase agreements										26.22
e. Subject to dollar repurchase agreements										26.23
f. Subject to dollar reverse repurchase agreements										26.24
g. Placed under option contracts										26.25
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock										26.26
i. FHLB capital stock	2,556,400	2,509,300	47,100		2,556,400	0.058	0.061	2,556,400	-	26.27
j. On deposit with states										26.28
k. On deposit with other regulatory bodies										26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)										26.31
m. Pledged as collateral not captured in other categories										26.30
n. Other restricted assets										26.32
o. Collateral assets received and on balance sheet								XXX	XXX	XXX
p. Assets held under modco reinsurance agreements								XXX	XXX	XXX
q. Assets held under funds withheld reinsurance agreements								XXX	XXX	XXX
r. Total restricted assets (Sum of a through q)	\$ 6,265,565	\$ 5,856,335	\$ 409,230	\$	\$ 6,265,565	0.141 %	0.150 %	XXX	XXX	XXX

Explanation for differences between the Note and general interrogatories:

GI Reference	Difference between Note and GI (Per Column 9 above)	Explanation
25.04+25.05	\$ -	
26.21	-	
26.22		
26.23		
26.24		
26.25		
26.26		
26.27	-	
26.28		
26.29		
26.31		
26.30		
26.32		

- (2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance (excluding Modco/FWH) and derivatives, are reported in the aggregate) - Not Applicable
- (3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance (excluding Modco/FWH) and derivatives, are reported in the aggregate) - Not Applicable
- (4) Collateral received and assets held under Modco/Funds Withheld (FWH) reinsurance agreements reflected as assets within the reporting entity's financial statements - Not Applicable

Notes to the Financial Statements

5. Investments (Continued)

(5) Assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements that have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer) - 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

	<u>General Account</u>
(1) Number of CUSIPs.....	8
(2) Aggregate amount of investment income.....	\$ 53,001

R. Reporting Entity's Share of Cash Pool by Asset Type - Not Applicable

S. Aggregate Collateral Loans by Qualifying Investment Collateral - Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

A. Investments in Joint Ventures, Partnerships or Limited Liability Companies that Exceed 10% of Admitted Assets

As of December 31, 2025, the Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. Impaired Investments in Joint Ventures, Partnerships and Limited Liability Companies

The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships or Limited Liability Companies during 2025 or 2024.

7. Investment Income

A. Due and Accrued Income Excluded from Surplus - Not Applicable

B. Total Amount Excluded - Not Applicable

C. The gross, nonadmitted and admitted amounts for interest income due and accrued

<u>Interest Income Due and Accrued</u>	<u>Amount</u>
1. Gross.....	\$ 9,825,090
2. Nonadmitted.....	\$
3. Admitted.....	\$ 9,825,090

D. The aggregate deferred interest - Not Applicable

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

PIK interest is not material.

8. Derivative Instruments - Not Applicable

9. Income Taxes

On July 4, 2025, the President signed into law the One Big Beautiful Bill Act (OBBBA), which included significant amendments to the U.S. Internal Revenue Code. Key provisions of the legislation that impacted the Company included changes to the bonus depreciation rules and the allowance of immediate expensing of domestic research and experimental expenditures. The Company recognized these changes in the third quarter as it was the period of enactment in accordance with SSAP No. 101. The provisions reduced the Company's current tax expense, tax liability, and deferred tax assets by approximately \$16,000,000.

A. Components of the net deferred tax asset/(liability)

(1) Change between years by tax character

	<u>2025</u>			<u>2024</u>			<u>Change</u>		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets.....	\$ 65,320,000	\$ 24,573,000	\$ 89,893,000	\$ 89,661,000	\$ 27,984,000	\$ 117,645,000	\$ (24,341,000)	\$ (3,411,000)	\$ (27,752,000)
(b) Statutory valuation allowance adjustments.....	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b).....	65,320,000	24,573,000	89,893,000	89,661,000	27,984,000	117,645,000	(24,341,000)	(3,411,000)	(27,752,000)
(d) Deferred tax assets nonadmitted.....	-	-	-	5,641,000	-	5,641,000	(5,641,000)	-	(5,641,000)
(e) Subtotal net admitted deferred tax asset (1c - 1d).....	\$ 65,320,000	\$ 24,573,000	\$ 89,893,000	\$ 84,020,000	\$ 27,984,000	\$ 112,004,000	\$ (18,700,000)	\$ (3,411,000)	\$ (22,111,000)
(f) Deferred tax liabilities.....	641,000	49,839,000	50,480,000	904,000	50,448,000	51,352,000	(263,000)	(609,000)	(872,000)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f).....	<u>\$ 64,679,000</u>	<u>\$ (25,266,000)</u>	<u>\$ 39,413,000</u>	<u>\$ 83,116,000</u>	<u>\$ (22,464,000)</u>	<u>\$ 60,652,000</u>	<u>\$ (18,437,000)</u>	<u>\$ (2,802,000)</u>	<u>\$ (21,239,000)</u>

Notes to the Financial Statements

9. Income Taxes (Continued)

(2) Admission calculation components SSAP No. 101

	2025			2024			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 34,130,000	\$ 9,727,000	\$ 43,857,000	\$ 47,103,000	\$ 1,960,000	\$ 49,063,000	\$ (12,973,000)	\$ 7,767,000	\$ (5,206,000)
(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 (lesser of 2(b)1 and 2(b)2 below)	4,205,000	-	4,205,000	8,407,000	3,182,000	11,589,000	(4,202,000)	(3,182,000)	(7,384,000)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	4,205,000	-	4,205,000	8,407,000	3,182,000	11,589,000	(4,202,000)	(3,182,000)	(7,384,000)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	469,708,535	XXX	XXX	428,877,000	XXX	XXX	40,831,535
(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	26,985,000	14,846,000	41,831,000	28,510,000	22,842,000	51,352,000	(1,525,000)	(7,996,000)	(9,521,000)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101.	\$ 65,320,000	\$ 24,573,000	\$ 89,893,000	\$ 84,020,000	\$ 27,984,000	\$ 112,004,000	\$ (18,700,000)	\$ (3,411,000)	\$ (22,111,000)
Total 2(a) + 2(b) + 2(c)									

(3) Ratio used as basis of admissibility

	2025	2024
(a) Ratio percentage used to determine recovery period and threshold limitation amount	1,064.270 %	1,061.834 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 3,136,517,570	\$ 2,864,251,401

(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

	2025		2024		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col 1-3)	Capital (Col 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 65,320,000	\$ 24,573,000	\$ 89,661,000	\$ 27,984,000	\$ (24,341,000)	\$ (3,411,000)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	- %	- %	%	%	- %	- %
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 65,320,000	\$ 24,573,000	\$ 84,020,000	\$ 27,984,000	\$ (18,700,000)	\$ (3,411,000)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	- %	- %	%	%	- %	- %

(b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? **NO**

B. Regarding deferred tax liabilities that are not recognized - Not Applicable

C. Major components of current income taxes incurred

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$ 9,263,986	\$ 51,821,000	\$ (42,557,014)
(b) Foreign	-	-	-
(c) Subtotal (1a+1b)	\$ 9,263,986	\$ 51,821,000	\$ (42,557,014)
(d) Federal income tax on net capital gains	9,957,000	1,353,000	8,604,000
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 19,220,986	\$ 53,174,000	\$ (33,953,014)

Notes to the Financial Statements

9. Income Taxes (Continued)

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 2,960,000	\$ 2,920,000	\$ 40,000
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	2,118,000	3,078,000	(960,000)
(8) Compensation and benefits accrual	15,381,000	16,577,000	(1,196,000)
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	24,300,000	17,565,000	6,735,000
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other	20,561,000	49,521,000	(28,960,000)
(99) Subtotal (Sum of 2a1 through 2a13)	<u>\$ 65,320,000</u>	<u>\$ 89,661,000</u>	<u>\$ (24,341,000)</u>
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	5,641,000	(5,641,000)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	<u>\$ 65,320,000</u>	<u>\$ 84,020,000</u>	<u>\$ (18,700,000)</u>
(e) Capital			
(1) Investments	\$ 18,873,000	\$ 21,894,000	\$ (3,021,000)
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	5,700,000	6,090,000	(390,000)
(4) Other	-	-	-
(99) Subtotal (2e1+2e2+2e3+2e4)	<u>\$ 24,573,000</u>	<u>\$ 27,984,000</u>	<u>\$ (3,411,000)</u>
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	<u>24,573,000</u>	<u>27,984,000</u>	<u>(3,411,000)</u>
(i) Admitted deferred tax assets (2d + 2h)	<u>\$ 89,893,000</u>	<u>\$ 112,004,000</u>	<u>\$ (22,111,000)</u>
	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 641,000	\$ 651,000	\$ (10,000)
(2) Fixed assets	-	253,000	(253,000)
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other	-	-	-
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	<u>\$ 641,000</u>	<u>\$ 904,000</u>	<u>\$ (263,000)</u>
(b) Capital			
(1) Investments	\$ 49,839,000	\$ 50,448,000	\$ (609,000)
(2) Real estate	-	-	-
(3) Other	-	-	-
(99) Subtotal (3b1+3b2+3b3)	<u>\$ 49,839,000</u>	<u>\$ 50,448,000</u>	<u>\$ (609,000)</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 50,480,000</u>	<u>\$ 51,352,000</u>	<u>\$ (872,000)</u>
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ 39,413,000</u>	<u>\$ 60,652,000</u>	<u>\$ (21,239,000)</u>

Notes to the Financial Statements

9. Income Taxes (Continued)

The change in deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
Adjusted gross deferred tax assets	\$ 89,893,000	\$ 117,645,000	\$ (27,752,000)
Total deferred tax liabilities	50,480,000	51,352,000	(872,000)
Net deferred tax assets (liabilities)	\$ 39,413,000	\$ 66,293,000	\$ (26,880,000)
Statutory valuation allowance adjustment			
Net deferred tax assets (liabilities) after statutory valuation allowance	\$ 39,413,000	\$ 66,293,000	\$ (26,880,000)
Tax effect of unrealized gains (losses)			(609,000)
Tax effect of SSAP 92/SSAP 102			(678,000)
Change in net deferred income tax			<u>\$ (28,167,000)</u>

D. Among the more significant book to tax adjustments

	2025	Effective Tax Rate
Provision computed at statutory rate	\$ 41,045,000	21.000 %
Change in nonadmitted assets	1,226,000	0.627 %
Tax exempt interest deduction	(108,000)	-0.055 %
Dividends received deduction, net	(537,000)	-0.275 %
Nondeductible lobbying expenses	63,000	0.032 %
§162(m)(6) limitation	6,309,000	3.228 %
Other permanent differences	531,000	0.272 %
Credits generated in current year	(963,614)	-0.493 %
Adjustment of prior year's tax	(175,400)	-0.090 %
Other/Rounding	(2,000)	-0.001 %
Total	<u>\$ 47,387,986</u>	<u>24.245 %</u>

	2025	Effective Tax Rate
Federal and foreign income taxes incurred	\$ 9,263,986	4.740 %
Realized capital gains (losses) tax	9,957,000	5.094 %
Change in net deferred income taxes	28,167,000	14.411 %
Total statutory income taxes	<u>\$ 47,387,986</u>	<u>24.245 %</u>

E. Operating loss and tax credit carryforwards

(1) At December 31, 2025, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

(2) Income tax expense available for recoupment

The following are income taxes in the current and prior years that will be available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
2023	\$	\$ 607,000	\$ 607,000
2024	52,134,000	1,462,000	53,596,000
2025	9,468,000	9,957,000	19,425,000

(3) The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated federal income tax return

(1) The Company's federal income tax return is consolidated with the following entities:

- Wellmark of South Dakota, Inc.
- Wellmark Health Plan of Iowa, Inc.
- Wellmark Synergy Health, Inc.
- Wellmark Value Health Plan, Inc.
- First Administrators, LLC
- Midwest Benefit Consultants, LLC
- Wellmark Holdings, LLC

(2) Method of allocation

The method of allocation between the companies is subject to a written agreement, approved by the Board of Directors and the Iowa Insurance Division. Allocation is based upon separate return calculations with current credit for net losses.

Notes to the Financial Statements

9. Income Taxes (Continued)

At December 31, 2025, the Company's tax related balance due from subsidiaries was \$18,839,391.

G. Federal or foreign income tax loss contingencies

At December 31, 2025, it is not reasonably possible to determine the Company's amount of tax loss contingencies that will significantly increase or decrease within twelve months of the reporting date.

H. Repatriation Transition Tax (RTT) - Not Applicable

I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

A. Nature of Relationships

The Company and Wellmark Health Plan of Iowa, Inc. (WHPI), a wholly owned subsidiary, have a management agreement whereby WHPI agrees to pay the Company for costs related to services outlined in the agreement. These costs are computed on a monthly basis. For 2025 and 2024, these costs were \$191,119,748 and \$166,198,164, respectively. The Company and WHPI also have an intercompany tax sharing arrangement (See Note 9). For 2025 and 2024, the tax related balance due from WHPI under this tax sharing arrangement was \$9,972,188 and \$21,174,193, respectively. The Company received a dividend of \$89,000,000 from WHPI in 2024. The dividend reduced the intercompany payable to WHPI and was recorded in net investment income.

The Company and Wellmark of South Dakota, Inc. (WSD), a wholly owned subsidiary, have an intercorporate service agreement whereby WSD agrees to pay the Company for costs related to services outlined in the agreement. These costs are computed on a monthly basis. For 2025 and 2024, these costs were \$99,143,980 and \$91,437,212, respectively. The Company and WSD also have an intercompany tax sharing arrangement (See Note 9). For 2025 and 2024, the tax related balance due from WSD under this tax sharing arrangement was \$8,704,411 and \$5,164,575, respectively.

Through a joint venture agreement, the Company holds a 49% ownership interest in Wellmark Advantage Holdings, LLC. Wellmark Advantage Holdings, LLC owns 100% of the capital stock of Wellmark Advantage Health Plan, Inc. (WAHP). WAHP is an insurance entity domiciled in Iowa and licensed to sell products in Iowa and South Dakota. The Company contributed capital totaling \$76,930,000 and \$49,490,000 to WAHP in 2025 and 2024, respectively.

The Company entered into a memorandum of agreement (MOA) during 2025 with Emergent, Inc., the 51% owner of Wellmark Advantage Holdings, LLC. Under the MOA, a loan for \$27,074,110 was given to Emergent, Inc. during December 2025, and a full allowance was recorded against the receivable.

In February 2024, the Company sold 40,000 shares of Wellmark Value Health Plan, Inc. (WVHP) stock back to WVHP at \$100 per share, for a total cash receipt of \$4,000,000. As of March 31, 2024, the Company owns 10,000 shares of WVHP stock. The Company also received a cash dividend of \$1,000,000 from WVHP in February 2024. The dividend was recorded in net investment income.

On January 1, 2024, the Company's subsidiaries First Administrators, LLC, Midwest Benefit Consultants, LLC, and Wellmark Holdings, LLC each converted their business structure from a corporation to limited liability company. The carrying value associated with these three subsidiaries continues to be fully nonadmitted.

B. Detail of Related Party Transactions

See Note 10.A.

C. Transactions with related party who are not reported on Schedule Y - Not Applicable

D. Amounts Due To or From Related Parties

At December 31, 2025, the Company reported \$58,456,386 as amounts due to subsidiaries and affiliates and \$92 as admitted amounts due from subsidiaries and affiliates. At December 31, 2024, the Company reported \$14,526,841 as amounts due to subsidiaries and affiliates and \$24,616,579 as admitted amounts due from subsidiaries and affiliates.

E. Management Service Contracts and Cost Sharing Arrangements

See Note 10.A.

F. Guarantees or Contingencies

See Note 14.

G. Nature of Relationships that Could Affect Operations - Not Applicable

H. Amount Deducted for Investment in Upstream Company - Not Applicable

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method

Notes to the Financial Statements

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

The Company utilizes the look-through approach in valuing its investment in Wellmark Advantage Holdings, LLC (WAH) at \$44,010,474 and \$26,748,286 as of December 31, 2025 and 2024, respectively. WAH's financial statements are not audited and the Company has limited the value of its investment in WAH to the audited statutory equity of Wellmark Advantage Health Plan, Inc., a wholly owned insurance subsidiary of WAH. The Company considers all liabilities, commitments, contingencies, guarantees, or obligations of WAH in the determination of the carrying value of its investment in WAH.

M. All SCA Investments

(1) Balance sheet value (admitted and nonadmitted) all SCAs (except 8b(i) entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities	XXX	\$	\$	\$
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities	XXX	\$	\$	\$
c. SSAP No. 97 8b(iii) Entities				
WELLMARK HOLDINGS, LLC	100.000 %	\$ -	\$ -	\$ -
FIRST ADMINISTRATORS, LLC	100.000	3,714,234	-	3,714,234
MIDWEST BENEFIT CONSULTANTS, LLC	100.000	6,690,159	-	6,690,159
Total SSAP No. 97 8b(iii) Entities	XXX	\$ 10,404,393	\$ -	\$ 10,404,393
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities	XXX	\$	\$	\$
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d)				
	XXX	\$ 10,404,393	\$ -	\$ 10,404,393
f. Aggregate Total (a+e)				
	XXX	\$ 10,404,393	\$ -	\$ 10,404,393

(2) NAIC filing response information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received (Yes/No)	NAIC Disallowed Entities Valuation Method, Resubmission Required (Yes/No)	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities	XXX	XXX	\$	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						
WELLMARK HOLDINGS, LLC	S1	10/25/2016	\$ -	YES	NO	
FIRST ADMINISTRATORS, LLC	S1	10/25/2016	-	YES	NO	
MIDWEST BENEFIT CONSULTANTS, LLC	S1	10/25/2016	-	YES	NO	
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$ -	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d)						
	XXX	XXX	\$ -	XXX	XXX	XXX
f. Aggregate Total (a+e)						
	XXX	XXX	\$ -	XXX	XXX	XXX

* S1 - Sub-1, S2 - Sub-2 or RDF - Resubmission of Disallowed Filing

** I - Immaterial or M - Material

The Company is exempt from a Sub-2 filing for its SSAP 97 8b(iii) subsidiaries because they are fully nonadmitted.

N. Investment in Insurance SCAs - Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking

Entity	(1)	(2)	(3)	(4)	(5)	(6)
	Reporting Entity's Share of Net Income (Loss)	Accumulated Share of Net Income (Losses)	Reporting Entity's Share of Equity, Including Negative Equity	Guaranteed Obligation / Commitment for Financial Support (Yes / No)	Amount of the Recognized Guarantee Under SSAP No. 5	
WELLMARK HOLDINGS, LLC	\$ (255,992)	\$ (2,495,469)	\$ (2,438,435)	NO	\$ -	

The losses in Wellmark Holdings, LLC have not impacted other investments.

11. Debt

A. Debt, Including Capital Notes - Not Applicable

Notes to the Financial Statements

11. Debt (Continued)

B. FHLB (Federal Home Loan Bank) Agreements

(1) FHLB agreements

The Company is a member of the Federal Home Loan Bank (FHLB) of Des Moines. The Company has determined the estimated current maximum borrowing capacity as approximately \$82,000,000. The Company calculated this amount in accordance with FHLB Des Moines credit and collateral guidelines. When borrowings occur, it is anticipated that the Company's strategy will be to utilize these funds to meet daily liquidity needs. As of year-end, the Company had no outstanding advances with FHLB Des Moines.

(2) FHLB capital stock

(a) Aggregate totals

	<u>Total</u>
1. Current Year	
(a) Membership stock - Class A	\$
(b) Membership stock - Class B	2,556,400
(c) Activity stock
(d) Excess stock
(e) Aggregate total (a+b+c+d)	<u>\$</u> 2,556,400
(f) Actual or estimated borrowing capacity as determined by the insurer	\$
2. Prior Year-End	
(a) Membership stock - Class A	\$
(b) Membership stock - Class B	2,509,300
(c) Activity stock
(d) Excess stock
(e) Aggregate total (a+b+c+d)	<u>\$</u> 2,509,300
(f) Actual or estimated borrowing capacity as determined by the insurer	\$

(b) Membership stock (Class A and B) eligible and not eligible for redemption

	(1)	(2)	<u>Eligible for Redemption</u>			
			(3)	(4)	(5)	(6)
Membership Stock	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	Less Than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A	\$	\$	\$	\$	\$	\$
2. Class B	\$	\$	\$	\$	\$	\$

(3) Collateral pledged to FHLB

(a) Amount pledged as of reporting date

	(1)	(2)	(3)
	<u>Fair Value</u>	<u>Carrying Value</u>	<u>Aggregate Total Borrowing</u>
1. Current year total collateral pledged	\$	\$	\$
2. Prior year-end total collateral pledged	\$	\$	\$

(b) Maximum amount pledged during reporting period

	(1)	(2)	(3)
	<u>Fair Value</u>	<u>Carrying Value</u>	<u>Amount Borrowed at Time of Maximum Collateral</u>
1. Current year total maximum collateral pledged	\$	\$	\$
2. Prior year-end total maximum collateral pledged	\$	\$	\$

Notes to the Financial Statements

11. Debt (Continued)

(4) Borrowing from FHLB

(a) Amount as of the reporting date

	Total	Funding Agreements Reserves Established
1. Current Year		
(a) Debt.....	\$ -	XXX
(b) Funding agreements.....	-	\$ -
(c) Other.....	-	XXX
(d) Aggregate total (a+b+c).....	<u>\$ -</u>	<u>\$ -</u>
2. Prior Year-end		
(a) Debt.....	\$	XXX
(b) Funding agreements.....		\$
(c) Other.....		XXX
(d) Aggregate total (a+b+c).....	<u>\$</u>	<u>\$</u>

(b) Maximum amount during reporting period (current year)

	Total
1. Debt.....	\$ 800,000
2. Funding agreements.....	
3. Other.....	
4. Aggregate total (Lines 1+2+3).....	<u>\$ 800,000</u>

(c) FHLB - Prepayment obligations

	Does the Company Have Prepayment Obligations Under the Following Arrangements? (YES/NO)
1. Debt.....	NO
2. Funding agreements.....	NO
3. Other.....	NO

C. Unused commitments and lines of credit for financing arrangements:

The Company does not have any unused commitments for financing arrangements as of December 31, 2025.

The Company has a total amount of \$80,000,000 available under two lines of credit. The Company did not draw on its lines of credit in 2025 and had no outstanding draws as of December 31, 2025. When borrowings occur, it is anticipated that the Company's strategy will be to utilize these funds for working capital. Both lines of credit are renewed annually and are considered short-term. The Company is also a member of the FHLB and has estimated the current maximum borrowing capacity as approximately \$82,000,000. The agreement with FHLB has an indefinite term and is therefore considered long-term.

	Current Year		Prior Year	
	Unused Commitments	Unused Lines of Credit	Unused Commitments	Unused Lines of Credit
Short-Term (contracts terminating in 12 months or less).....	\$	80,000,000	\$	80,000,000
Long-Term (contracts terminating in more than 12 months).....		82,000,000		82,000,000
Total.....	<u>\$</u>	<u>162,000,000</u>	<u>\$</u>	<u>162,000,000</u>

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

A. Defined Benefit Plan

The Company sponsors a pension program (the program) covering substantially all employees. The pension program contains both a defined benefit and cash balance plan available to eligible employees depending on the date of hire. The defined benefit pension plan benefits are based on years of service and the employee's highest five consecutive years' compensation in the last ten years of service. Under the cash balance plan, employees earn annual credits based on a percentage of salary that are accumulated in an account that earns interest annually. Effective January 1, 2022, the program was amended to close participation to new entrants after December 31, 2021 and to provide for the cessation of all benefit accruals under all plan formulas under the program effective December 31, 2029.

The administration and recordkeeping services for the program are performed by Principal Life Insurance Company (collectively with Principal Financial Group as Principal). Pension plan assets are held in the Non-Contributory Retirement Program for Certain Employees of Wellmark, Inc. Trust (Trust) with Principal Trust Company as the trustee of the program.

The funding policy of the program is to contribute amounts sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974 and the Pension Protection Act of 1996, plus additional amounts as determined to be appropriate from time to time. No voluntary contributions were made to the pension program in 2025 or 2024. There are no current plans for the Company to make voluntary contributions to the pension program in 2026.

Notes to the Financial Statements

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

The Company also sponsors a postretirement health care benefit plan. The plan has two separate benefit calculations available to employees depending on the date of hire. One plan contributes toward the cost of health care premiums based on years of service and is available to employees who retire from the Company who have at least ten years of service and have attained age 65 while in service to the Company. This plan also includes a life insurance benefit that is available to employees who retire from the Company who have at least five years of service and have attained age 55 while in service to the Company. The second plan option allows employees to accumulate annual credits in an account that earns interest annually and can be used to pay for health care premiums when the employee becomes Medicare eligible. Effective January 1, 2022, the postretirement health care benefit plan was amended to close the plan to additional participants and to freeze accruals of annual credits under the plan for all participants under age 62. The Company has not funded either the postretirement health care or life insurance plans but intends to meet the obligations of the plans through general assets of the Company.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2025 and 2024:

(1) Change in benefit obligation

(a) Pension benefits

	Overfunded		Underfunded	
	2025	2024	2025	2024
1. Benefit obligation at beginning of year	\$ 213,293,466	\$ 271,402,949	\$	\$
2. Service cost	7,786,825	8,584,897		
3. Interest cost	11,421,815	13,076,647		
4. Contribution by plan participants				
5. Actuarial gain / loss	5,380,164	(13,349,664)		
6. Foreign currency exchange rate changes				
7. Benefits paid	(14,651,482)	(4,421,373)		
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits		(61,999,990)		
10. Benefit obligation at end of year	\$ 223,230,788	\$ 213,293,466	\$	\$

(b) Postretirement benefits

	Overfunded		Underfunded	
	2025	2024	2025	2024
1. Benefit obligation at beginning of year	\$	\$	\$ 24,771,005	\$ 27,633,653
2. Service cost			9,715	20,345
3. Interest cost			1,281,555	1,315,933
4. Contribution by plan participants				
5. Actuarial gain / loss			868,066	(1,037,156)
6. Foreign currency exchange rate changes				
7. Benefits paid			(1,418,105)	(1,428,701)
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits			(2,712,554)	(1,733,069)
10. Benefit obligation at end of year	\$	\$	\$ 22,799,682	\$ 24,771,005

(c) Special or contractual benefits per SSAP No. 11

	Overfunded		Underfunded	
	2025	2024	2025	2024
1. Benefit obligation at beginning of year	\$	\$	\$ 14,309,961	\$ 12,681,906
2. Service cost			28,740,400	27,985,082
3. Interest cost				
4. Contribution by plan participants				
5. Actuarial gain / loss				
6. Foreign currency exchange rate changes				
7. Benefits paid			(27,991,172)	(26,357,027)
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	\$	\$	\$ 15,059,189	\$ 14,309,961

Notes to the Financial Statements

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
(Continued)

(2) Change in plan assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2025	2024	2025	2024	2025	2024
a. Fair value of plan assets at beginning of year	\$ 234,089,117	\$ 296,166,706	\$	\$	\$	\$
b. Actual return on plan assets	13,511,715	4,343,774				
c. Foreign currency exchange rate changes						
d. Reporting entity contribution						
e. Plan participants' contributions						
f. Benefits paid	(14,651,482)	(4,421,373)				
g. Business combinations, divestitures and settlements		(61,999,990)				
h. Fair value of plan assets at end of year	\$ 232,949,350	\$ 234,089,117	\$	\$	\$	\$

(3) Funded status

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
a. Components				
1. Prepaid benefit costs	\$ 52,252,082	\$ 59,760,162	\$	\$
2. Overfunded plan assets	(42,533,520)	(38,964,511)		
3. Accrued benefit costs			37,381,917	39,013,245
4. Liability for pension benefits			(14,582,235)	(14,242,240)
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	\$ 9,718,562	\$ 20,795,651	\$	\$
2. Liabilities recognized			22,799,682	24,771,005
c. Unrecognized liabilities	\$	\$	\$	\$

(4) Components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2025	2024	2025	2024	2025	2024
a. Service cost	\$ 7,786,825	\$ 8,584,897	\$ 9,715	\$ 20,345	\$ 28,740,400	\$ 27,985,082
b. Interest cost	11,421,815	13,076,647	1,281,555	1,315,933		
c. Expected return on plan assets	(13,378,618)	(17,109,286)				
d. Transition asset or obligation						
e. Gains and losses	1,678,058	2,567,300	(1,282,873)	(1,223,125)		
f. Prior service cost or credit			(221,620)			
g. Gain or loss recognized due to a settlement or curtailment		11,325,256				
h. Total net periodic benefit cost	\$ 7,508,080	\$ 18,444,814	\$ (213,223)	\$ 113,153	\$ 28,740,400	\$ 27,985,082

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
a. Items not yet recognized as a component of net periodic cost - prior year	\$ 38,964,511	\$ 53,441,219	\$ (14,242,240)	\$ (12,695,140)
b. Net transition asset or obligation recognized				
c. Net prior service cost or credit arising during the period			(2,712,554)	(1,733,069)
d. Net prior service cost or credit recognized			221,620	
e. Net gain and loss arising during the period			5,247,067	(584,152)
f. Net gain and loss recognized			(1,678,058)	(13,892,556)
g. Items not yet recognized as a component of net periodic cost - current year	\$ 42,533,520	\$ 38,964,511	\$ (14,582,235)	\$ (14,242,240)

(6) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
a. Net transition asset or obligation	\$	\$	\$	\$
b. Net prior service cost or credit			(4,224,003)	(1,733,069)
c. Net recognized gains and losses	42,533,520	38,964,511	(10,358,232)	(12,509,171)

Notes to the Financial Statements

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

(7) Weighted-average assumptions used to determine net periodic benefit cost

Weighted-average assumptions used to determine net periodic benefit cost as of period-end:	2025	2024
a. Weighted-average discount rate.....	5.550 %	5.000 %
b. Expected long-term rate of return on plan assets.....	6.500 %	6.500 %
c. Rate of compensation increase.....	3.340 %	3.370 %
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates).....	4.000 %	4.000 %
Weighted-average assumptions used to determine projected benefit obligations as of period-end:	2025	2024
e. Weighted-average discount rate.....	5.350 %	5.550 %
f. Rate of compensation increase.....	3.300 %	3.340 %
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates).....	4.000 %	4.000 %

(8) Accumulated benefit obligation

The amount of the accumulated benefit obligation for the defined benefit pension plan was \$208,214,928 for the current year and \$195,484,052 for the prior year.

(9) Assumed health care cost trend rate(s)

For postretirement benefits other than pensions, for measurement purposes, 9.5% (pre-65) and 7.0% (post-65) annual rates of increase in the per capita cost of covered health care benefits were assumed for 2025. These rates grade down annually to 4.5% for 2035 and beyond.

(10) Estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated

Pension and postretirement benefits:

Year	Amount
a. 2026.....	\$ 20,150,000
b. 2027.....	19,370,000
c. 2028.....	19,270,000
d. 2029.....	20,330,000
e. 2030.....	20,350,000
f. 2031 through 2035.....	97,240,000

(11) Contributions expected to be paid to the plan during the next fiscal year - Not Applicable

(12) Amounts and types of securities of the reporting entity and related parties included in plan assets - Not Applicable

(13) Alternative method used to amortize prior service amounts or net gains and losses - Not Applicable

(14) Substantive commitments used as the basis for accounting for the benefit obligation - Not Applicable

(15) Special or contractual termination benefits recognized during the period - Not Applicable

(16) Significant changes in the benefit obligation or plan assets not otherwise disclosed

During the year ended December 31, 2025, the pension benefit obligation generated a loss due to a decrease in the discount rate and a loss due to an annuity purchase true-up payment in June 2025. During the year ended December 31, 2025, the other postretirement benefit obligation experienced a loss due to a decrease in the discount rate and a gain due to changes to interest credited to the retiree medical accounts.

(17) Funded status of the plan and surplus impact

The pension plan was in an overfunded status at December 31, 2025 and 2024. As required by SSAP 102, overfunded plan assets are nonadmitted. The Company has not funded either the postretirement health care or life insurance plans. The impact to surplus to recognize the unfunded status of the Other Postretirement Benefit Plans was (\$14,582,235) and (\$14,242,240) at December 31, 2025 and 2024, respectively.

B. Investment Policies and Strategies of Plan Assets

The Company's pension plan assets are invested in the Trust. The investment program for the Trust is based on the precepts of capital market theory that are generally accepted and followed by institutional investors, who by definition are long-term oriented investors. This philosophy holds that:

1. Increasing risk is rewarded with compensating returns over time and therefore, prudent risk taking is justifiable for long term investors.
2. Risk can be controlled through diversification of asset classes and investment approaches as well as diversification of individual securities.
3. Risk is reduced by time, and over time the relative performance of different asset classes is reasonably consistent. Over the long-term, equity investments have provided and should continue to provide superior returns over other security types. Fixed-income securities can dampen volatility and provide liquidity in periods of depressed economic activity. Lengthening duration of fixed income securities may reduce surplus volatility.

Notes to the Financial Statements

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

4. The strategic or long-term allocation of assets among various asset classes is an important driver of long term returns.
5. Relative performance of various asset classes is unpredictable in the short-term and attempts to shift tactically between asset classes are unlikely to be rewarded.

Investments will be made for the sole interest of the participants of the pension plan participating in the Trust. Accordingly, the assets of the Trust shall be invested in accordance with these objectives:

1. To seek and maintain an adequate funded status with regard to current liabilities within a targeted range.
2. To manage overall costs of running the pension plan at levels favorable to industry benchmarks.
3. To ensure assets are available to meet current and future benefit and expense obligations when due.

C. Fair Value of Each Class of Plan Assets

(1) Fair value measurements of plan assets at reporting date

Description for each class of plan assets	Level 1	Level 2	Level 3	Total
Cash Equivalents	\$ 2,918,387	\$	\$	\$ 2,918,387
Common/Collective Trusts: Equity Accounts		31,296,763		31,296,763
Common/Collective Trusts: Fixed Accounts		130,014,492		130,014,492
Mutual Funds: Fixed Funds	6,774,982			6,774,982
Total plan assets	\$ 9,693,369	\$ 161,311,255	\$	\$ 171,004,624

Pension plan assets also include \$61,944,726 of limited partnerships which are accounted for using NAV as a practical expedient.

(2) Valuation technique(s) and inputs to measure fair value

Generally, Level 1 financial instruments consist of mutual funds that are actively traded and have quoted prices available. Mutual funds are valued at NAV of shares held based on the latest quoted market price. Financial instruments included in Level 2 consist of common/collective trusts that have direct or indirect price inputs that are observable in active markets or are measured at NAV. The fair value of the Company's limited partnership investments is estimated using NAV as a practical expedient. This practical expedient is not used when it is determined to be probable that the investments will be sold for an amount different than the reported NAV. It is not practicable to estimate the fair value of the Company's limited partnership investments due to the private and, in certain instances, confidential nature of the underlying investments in the partnerships and the specialized knowledge of specific industries and transactions required.

The Company obtains prices and/or relevant inputs to fair value calculations from external investment managers or from the custodian of the pension assets, which uses a third party pricing service. For securities not actively traded, the investment manager and/or pricing service 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, benchmark yields, credit spreads, default rates, prepayment conditions, and nonbinding broker quotes. Additionally, for investments that do not have quoted market prices whereby fair value is measured using NAV per share as a practical expedient, inputs used in the valuation methodologies also include redemption frequency and redemption notice periods, to give consideration to liquidity constraints, if applicable.

D. Expected Long-Term Rate of Return for the Plan Assets

The basis of the overall expected long-term rate of return on assets assumption is a forward-looking approach based on the current long-term capital market outlook assumptions of the asset categories the Trust invests in and the Trust's target asset allocation.

The assumed target asset allocation for the program is as follows: 58.5% liability matching fixed income, 20% private equity, 15% publicly-traded equity, 5% growth fixed income, and 1.5% cash and cash equivalents. Portfolio expectations were estimated through a combination of underlying asset assumptions including geometric returns, distributions, and correlations. Using these assumptions, the Company selected the expected return on asset assumption of 6.50% for 2025. This rate is net of both investment and other administrative expenses charged to the Trust.

E. Defined Contribution Plans

The Company also sponsors a defined contribution plan (the plan) which is qualified under Section 401(k) of the Internal Revenue Code. The plan covers substantially all employees of the Company and subsidiaries. Employees can contribute a maximum of 80% of their annual salary to the plan (up to the elective deferral limits set by the Commissioner of Internal Revenue). The Company will contribute an amount equal to 100% of the first 4% of salary contributed by the employee. The plan also provides for additional employer contributions at the discretion of the Board of Directors.

Effective January 1, 2022, the plan was amended to provide different employer contributions to employees hired or rehired effective January 1, 2022 or after. For participants hired or rehired on or after January 1, 2022, the Company will contribute an amount equal to 100% of the first 6% of salary contributed by the employee. The Company will also make an annual contribution for these participants of 2%, 3% or 4% based on their age and years of service. To be eligible for the annual contribution, a participant is required to be an active employee on the last day of the plan year. Participants hired on or before December 31, 2021 will continue to receive a Company contribution in an amount equal to 100% of the first 4% of salary contributed by the employee.

Notes to the Financial Statements

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (Continued)

Recordkeeping responsibilities for the plan are performed by Principal. The Company's contribution for this plan was \$5,697,745 and \$5,694,511 for 2025 and 2024, respectively.

- F. Multiemployer Plans - Not Applicable
- G. Consolidated/Holding Company Plans - Not Applicable
- H. Postemployment Benefits and Compensated Absences - Not Applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - Not Applicable

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

- A. Outstanding Shares - Not Applicable
- B. Dividend Rate of Preferred Stock - Not Applicable
- C. Dividend Restrictions - Not Applicable
- D. Ordinary Dividends - Not Applicable
- E. Company Profits Paid as Ordinary Dividends - Not Applicable
- F. Surplus Restrictions - Not Applicable
- G. Surplus Advances - Not Applicable
- H. Stock Held for Special Purposes - Not Applicable
- I. Changes in Special Surplus Funds - Not Applicable
- J. Unassigned Funds (Surplus)

The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$960,360,331.

- K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
- M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

- (1) Commitments or contingent commitment(s) to an SCA entity, joint venture, partnership, or limited liability company

The Company is required by licensure requirements of the Blue Cross Blue Shield Association (BCBSA) to execute parental guarantees for its licensed controlled affiliates, pursuant to which the Company guarantees to the full extent of its assets all contractual and financial obligations of WHPI, WSD, FAI, WSH and WVHP to their respective customers. Through parental guarantees executed between the Company and WSH and WVHP, the Company guarantees that WSH and WVHP are in compliance with the Iowa statutory minimum for HMO capital and surplus of \$1,000,000 or the statutory minimum for risk-based capital for health organizations, whichever is greater. Also, the Company, as the parent of WHPI is required by the Iowa Insurance Division to guarantee the obligations of WHPI to pay for services to enrollees up to \$1,100,000.

The Company is also required by licensure requirements of the BCBSA to execute a parental guarantee for WAHP, pursuant to which the Company guarantees to the full extent of its assets all contractual and financial obligations to members proportionate to the Company's subsidiary holding company's ownership interest in WAHP.

The Company has commitments to purchase federal tax credits for the 2025 and 2026 tax years, estimated at \$2,700,000 and \$3,000,000, respectively.

- (2) Nature and circumstances of guarantee - Not Applicable
- (3) Aggregate compilation of guarantee obligations - Not Applicable

B. Assessments

- (1) The Company is subject to health related assessments by the Iowa Comprehensive Health Association and the Iowa Individual Health Benefit Reinsurance Association (IIHBRA) for high risk insurance pools. The Company accrued a net admitted receivable of \$760,000 and a liability of \$7,650,000 for estimated health related assessments as of December 31, 2025.
- (2) Assets (Liabilities) recognized from paid and accrued premium tax offsets and policy surcharges - Not Applicable
- (3) Guaranty fund liabilities and assets related to long-term care insolvencies - Not Applicable

- C. Gain Contingencies - Not Applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not Applicable
- E. Joint and Several Liabilities - Not Applicable

Notes to the Financial Statements

14. Liabilities, Contingencies and Assessments (Continued)

F. All Other Contingencies

The Company, along with the BCBSA and Blue Cross and/or Blue Shield licensees, or Blue Plans across the country, was a defendant in a single multidistrict consolidated lawsuit In re Blue Cross Blue Shield Antitrust Litigation that was pending in the United States District Court for the Northern District of Alabama. Generally, the litigation alleged that the BCBSA and Blue Plans have engaged in activities in violation of the Sherman Act and related state laws through license agreements, best efforts rules that limit the percentage of non-Blue revenue of each plan, restrictions on acquisitions and other arrangements. The cases were brought by two putative nationwide classes of plaintiffs, health plan subscribers and providers. The Company, the BCBSA and all other Blue Cross and/or Blue Shield licensees have reached a settlement with the health plan subscriber class plaintiffs. This settlement was approved by the United States District Court for the Northern District of Alabama, and the appeal process concluded with the Petition for Certiorari being denied by the United States Supreme Court on June 24, 2024. The court currently is supervising the final class settlement process. The Company, the BCBSA and all other Blue Cross and/or Blue Shield licensees have reached a settlement with the provider class. The United States District Court for the Northern District of Alabama issued the Final Approval Order on August 19, 2025. No appeals were filed, and as a result, the settlement was effective September 18, 2025. There have been several additional individual lawsuits filed by groups, members, and providers who opted out of the initial class lawsuits. The Company has made adequate provision for any damages that may result from the opt-out suits.

In the ordinary course of business, the Company is involved in and subject to claims, contractual disputes and other uncertainties, which the Company defends vigorously. While the ultimate outcome of any other claims cannot be presently determined, in the opinion of management, adequate provision has been made for any potential losses which may result from these actions and the Company expects any liability that could result will not materially affect its financial position.

15. Leases

A. Lessee Operating Lease

(1) Leasing arrangements

(a) Rental expense

The Company leases facilities under various noncancelable operating lease agreements that expire through December 2034. Rental expense associated with these lease arrangements was \$995,721 and \$1,040,593 for 2025 and 2024, respectively.

(b) Rental payment contingencies - Not Applicable

(c) Terms of renewal or purchase options and escalation clauses

Certain rental commitments have renewal options extending through the year 2044. Some of these renewals are subject to adjustments in future periods.

(d) Restrictions imposed by lease agreements - Not Applicable

(e) Early termination of lease agreements - Not Applicable

(2) For leases having initial or remaining noncancelable lease terms in excess of one year

(a) Minimum aggregate rental commitments at year end

Year Ending December 31	Operating Leases
1. 2026.....	\$..... 596,806
2. 2027.....	601,581
3. 2028.....	600,338
4. 2029.....	454,455
5. 2030.....	459,671
6. Thereafter.....	1,543,349
7. Total (sum of 1 through 6).....	<u>\$..... 4,256,200</u>

(b) Sublease minimum rentals to be received - Not Applicable

(3) For sale-leaseback transactions - Not Applicable

B. Lessor Leases - Not Applicable

16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

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

A. ASO Plans - Not Applicable

Notes to the Financial Statements

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

B. ASC Plans

The gain (loss) from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows during 2025:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 1,911,075,669	\$ 1,664,335,521	\$ 3,575,411,190
b. Gross administrative fees accrued	54,946,259	103,028,042	157,974,301
c. Other income or expenses (including interest paid to or received from plans)			
d. Gross expenses incurred (claims and administrative) (a+b+c)	1,966,021,928	1,767,363,563	3,733,385,491
e. Total net gain or loss from operations	<u>\$ (8,693,516)</u>	<u>\$ (17,749,660)</u>	<u>\$ (26,443,176)</u>

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

Reimbursements from Centers for Medicare and Medicaid Services (CMS) for the Company's participation in the Medicare Part D program for the year ended December 31, 2025 were \$26,211,091. This amount represents pharmacy benefit cost reimbursements for the Reinsurance Subsidy and Low-Income Cost Sharing Subsidy element of the Medicare Part D program.

At December 31, 2025, the Company has a receivable of \$8,669,572 from CMS for these reimbursements.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - Not Applicable

20. Fair Value Measurements

A. Fair Value Measurement

(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: Issuer Credit Obligations	\$	4,716,901	\$	\$	4,716,901
Bonds: Asset-Backed Securities		44,395,496	1,000,000		45,395,496
Cash Equivalents: Exempt MM Mutual Funds	178,547,991				178,547,991
Cash Equivalents: Other MM Mutual Funds	70,041				70,041
Cash Equivalents: Sweep Account		3,709,165			3,709,165
Preferred Stock: Industrial & Miscellaneous	1,965,764				1,965,764
Common Stock: Industrial & Miscellaneous	682,345,486	2,556,400	6,831,564		691,733,450
Common Stock: Mutual Funds	182,603,550				182,603,550
Total assets at fair value/NAV	<u>\$ 1,045,532,832</u>	<u>\$ 55,377,962</u>	<u>\$ 7,831,564</u>	<u>\$</u>	<u>\$ 1,108,742,358</u>
b. Liabilities at fair value					
Total liabilities at fair value	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(2) Fair value measurements in Level 3 of the fair value hierarchy

Description	Beginning balance as of 01/01/2025	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2025
a. Assets										
Bonds: Asset-Backed Securities	\$	\$	\$	\$	\$	1,000,000	\$	\$	\$	1,000,000
Common Stock: Industrial & Miscellaneous	8,294,972				(1,463,408)					6,831,564
Total assets	<u>\$ 8,294,972</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (1,463,408)</u>	<u>\$ 1,000,000</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 7,831,564</u>
b. Liabilities										
Total liabilities	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(3) Policy on transfers into and out of Level 3

The Company recognizes transfers between fair value hierarchy levels at the end of the reporting period.

(4) Inputs and techniques used for Level 2 and Level 3 fair values

Issuer credit obligations, asset-backed securities, surplus notes, and residual tranches are reported within Level 2 of the fair value hierarchy; all of these securities have direct or indirect price inputs that are observable in active markets. Fair values of these fixed income instruments are based on quoted market prices where available. The Company obtains at least one price from a third party pricing service or its custodian, which also uses a pricing service. In most instances, the Company obtains more than one price and evaluates between the pricing sources for any outliers or stale prices. Assuming prices are not stale and are reasonable between sources, the Company follows a pre-established hierarchy to conclude on which pricing source to utilize.

The pricing services normally derive security prices through recently reported trades for identical or similar securities, making adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the market for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, benchmark yields, credit spreads, default rates, prepayment conditions, and nonbinding broker quotes.

Notes to the Financial Statements

20. Fair Value Measurements (Continued)

Common stock reported within Level 2 of the fair value hierarchy is FHLB Class B Membership stock. This stock is non-redeemable and is reported at par, which is considered a proxy for fair value.

Level 3 financial instruments include asset-backed securities that are valued using indicative broker quotes. Privately held stock is also categorized as level 3 when the fair value is determined based on the audited annual or quarterly unaudited GAAP equity per outstanding common share.

(5) Derivatives - Not Applicable

B. Other Fair Value Disclosures

Statutory guidance requires the disclosure of fair values for certain other financial instruments for which it is practicable to estimate fair value, whether or not such values are recognized in the statements of assets, liabilities, capital and surplus. The carrying amounts for cash, receivable for securities, accrued investment income, premium receivables, other receivables, amounts due to/from affiliates, unearned premiums, accounts payable and accrued expenses, and certain other liabilities approximate fair value because of the short-term nature of these items.

C. Fair Values or NAV for All Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Issuer Credit Obligations	\$ 475,394,033	\$ 473,739,896	\$	\$ 475,394,033	\$	\$	\$
Asset-Backed Securities	545,908,050	539,292,232		542,949,435	2,958,615		
Cash Equivalents	185,820,216	185,820,679	178,618,032	7,202,184			
Short-Term Investments	138,302	137,592		138,302			
Preferred Stock	1,965,764	1,965,764	1,965,764				
Common Stock	874,337,000	874,337,000	864,949,036	2,556,400	6,831,564		
Other Invested Assets	9,570,966	9,421,394		9,570,966			

D. Not Practicable to Estimate Fair Value - Not Applicable

E. Nature and Risk of Investments Reported at NAV - Not Applicable

21. Other Items

A. Unusual or Infrequent Items - Not Applicable

B. Troubled Debt Restructuring - Not Applicable

C. Other Disclosures

Revisions to SSAP No. 26, "Bonds," SSAP No. 43, "Asset-Backed Securities," and SSAP No. 21, "Other Admitted Assets," collectively known as the "Principles-Based Bond Definition Project" (PBBB), were effective January 1, 2025. Upon adoption of PBBB, two securities were reclassified from Bonds to Other Invested Assets at an aggregate book adjusted carrying value of \$2,241,280. One residual tranche investment required remeasurement as of January 1, 2025.

D. Business Interruption Insurance Recoveries - Not Applicable

E. State and Federal Tax Credits

(1) Carrying value of state and federal tax credits, disaggregated by transferable/certificated and non-transferable, gross of any related tax liabilities by jurisdiction and in total - Not Applicable

(2) Total unused tax credits by jurisdiction, disaggregated by transferable/certificated and non-transferable - Not Applicable

(3) Method of estimating utilization of remaining state and federal tax credits - Not Applicable

(4) Impairment loss - Not Applicable

(5) State and federal tax credits admitted and nonadmitted disaggregated by transferable/certificated and non-transferable - Not Applicable

(6) Any commitment or contingent commitment to purchase tax credits

The Company has commitments to purchase federal tax credits for the 2025 and 2026 tax years, estimated at \$2,700,000 and \$3,000,000, respectively.

F. Subprime-Mortgage-Related Risk Exposure

(1) Subprime mortgage exposure

The Company's investment policy, approved by the Board of Directors, requires the use of high quality fixed income investments to cover its contractual liabilities. The investment policy requires that the Company's fixed income portfolio, excluding non-agency mortgage-backed securities, have a minimum average quality rating of BBB+ and the total of below investment grade securities, excluding non-agency mortgage-backed securities, is limited to 10% of the total portfolio. Further, no single issue, with the exception of US Government and Agency securities, can exceed 5% of an external investment manager's portfolio at time of purchase. The Company allows certain external investment managers to purchase non-agency mortgage-backed securities, and credit quality of those securities is at manager discretion with NAIC designation 1 or 2 preferred. The Company utilizes its strategic and tactical asset allocation to manage risk exposure, through allocations to various external investment managers with varying mandates.

Notes to the Financial Statements

21. Other Items (Continued)

The Company's exposure to subprime mortgages at December 31, 2025 is 1.1% of its total portfolio. The Company is receiving principal and interest payments on the subprime mortgage securities, and the Company does not require sale of these types of assets to meet future cash flow requirements. These securities are in gross unrealized gain and loss positions of \$1,567,772 and \$864,785, respectively, as of December 31, 2025. While no single definition exists for subprime, these securities are considered higher risk and carry higher than prime rates of interest. In addition to the interest rates, the Company considers the FICO scores below 660, level of documentation, evidence of delinquency, foreclosure, judgments or bankruptcy and other factors that limit the borrower's ability to service the debt when determining if a security should be classified as subprime.

- (2) Direct exposure through investments in subprime mortgage loans - Not Applicable
 (3) Direct exposure through other investments

	Actual Cost	Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Other-Than- Temporary Impairment Losses Recognized
a. Asset-backed securities	\$ 42,971,324	\$ 40,198,079	\$ 41,124,472	\$ 130,635
b. Collateralized loan obligations				
c. Equity investment in SCAs				
d. Other assets				
e. Total (a+b+c+d)	<u>\$ 42,971,324</u>	<u>\$ 40,198,079</u>	<u>\$ 41,124,472</u>	<u>\$ 130,635</u>

- (4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage - Not Applicable

G. Retained Assets - Not Applicable

H. Insurance-Linked Securities (ILS) Contracts - Not Applicable

I. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

22. Events Subsequent

Type I - Recognized Subsequent Events:

Subsequent events have been considered through February 25, 2026 for the statutory statement issued on March 1, 2026.

Type II - Nonrecognized Subsequent Events:

Subsequent events have been considered through February 25, 2026 for the statutory statement issued on March 1, 2026.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?
 Yes () No (X)
- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?
 Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?
 Yes () No (X)
- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
 Yes () No (X)

Notes to the Financial Statements

23. Reinsurance (Continued)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ –
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

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

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate

The Company's participation in the Medicare Part D program includes a risk sharing provision with CMS. The Company estimates accrued retrospective premium adjustments for its Medicare Part D products through a prescribed formula approach. CMS adjusts its payments to the Company based on how actual benefit costs varied from the costs anticipated in the Company's bid for the Medicare Part D products.

The Company estimates accrued retrospective premium adjustments for individuals, small groups and large groups according to retrospective rating features pursuant to the medical loss ratio rebate requirements subject to the Public Health Service Act.

B. Method Used to Record

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

C. Amount and Percent of Net Retrospective Premiums

The amount of net premiums written by the Company at December 31, 2025 that are subject to retrospective rating features was \$1,895,484,990, which represented 66.9% of the total net premiums written by the Company. No other net premiums written by the Company are subject to retrospective rating features.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

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

- (1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions? YES

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year

	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to the ACA risk adjustment (including high-risk pool payments).....	\$..... 25,628,000
Liabilities	
2. Risk adjustment user fees payable for ACA risk adjustment.....	\$..... 92,752
3. Premium adjustments payable due to ACA risk adjustment (including high-risk pool premium).....	1,971,000
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA risk adjustment.....	\$..... 25,021,443
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid).....	92,768

Notes to the Financial Statements

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)

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

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Unsettled Balances as of the Reporting Date		
	(1)	(2)	(3)	(4)	Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances	Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)	
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high-risk pool payments)	\$ 26,522,000	\$	\$ 27,636,461	\$	\$ (1,114,461)	\$	\$ 1,114,461		A	\$ -	\$
2. Premium adjustments (payable) (including high-risk pool premium)		(1,956,000)		(1,706,019)		(249,981)		249,981	B		-
3. Subtotal ACA Permanent Risk Adjustment Program	\$ 26,522,000	\$ (1,956,000)	\$ 27,636,461	\$ (1,706,019)	\$ (1,114,461)	\$ (249,981)	\$ 1,114,461	\$ 249,981		\$ -	\$ -

Explanations of Adjustments
A: Revised data received
B: Revised data received

25. Change in Incurred Claims and Claim Adjustment Expenses

A. Reasons for Changes in the Provision for Incurred Claim and Claim Adjustment Expenses Attributable to Insured Events of Prior Years

The Company's reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years have decreased by \$17,425,542 from \$259,992,986 in 2024. Because unpaid losses are estimated based on past experience and accumulated statistical data, the Company's actual benefit payments have varied from the original estimates.

B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Claims and Claim Adjustment Expenses - Not Applicable

26. Intercompany Pooling Arrangements - Not Applicable

27. Structured Settlements - Not Applicable

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2025	\$ 88,269,280	\$	\$	\$	\$
09/30/2025	85,501,448	87,774,005	72,795,754		
06/30/2025	85,885,900	96,439,122	81,998,402	12,116,221	
03/31/2025	89,920,774	91,817,282	77,992,308	10,828,659	1,948,299
12/31/2024	83,850,952	91,562,260	74,656,659	14,767,204	2,420,265
09/30/2024	87,894,279	90,580,013	73,509,989	14,718,659	2,666,535
06/30/2024	88,277,550	89,892,202	70,868,672	16,884,406	2,715,473
03/31/2024	86,298,784	88,599,602	66,618,084	16,172,221	6,926,907
12/31/2023	80,197,209	85,671,114	72,200,571	13,624,527	1,415,903
09/30/2023	80,836,045	85,682,190	72,868,862	13,644,307	248,365
06/30/2023	82,821,705	83,973,516	73,459,589	12,343,882	(8,214)
03/31/2023	77,735,929	80,312,359	68,991,085	9,208,957	1,114,586

B. Risk-Sharing Receivables - Not Applicable

C. Medicare Prescription Payment Plan Receivables

(1) Recoverable amounts included in other health care receivables

	Amount
Amounts included in other health care receivables which are recoverable from participants in Medicare Part D Prescription Payment Plan for the current reporting period	\$ 51,272

(2) Aging of other health care receivables which are due from participant in Medicare Part D Prescription Payment Plan

Medicare Prescription Payment Plan Recoverables	Current Period	1-30 days	31-60 days	61-90 days	Over 90 Days	Nonadmitted	Admitted
	Gross						
	\$ 51,272	\$ 42,598	\$ 2,445	\$ 866	\$ 5,363	\$ 5,363	\$ 45,909

(3) Write-offs of impaired Medicare Prescription Payment Plan receivables - Not Applicable

29. Participating Policies - Not Applicable

Notes to the Financial Statements

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves:..... \$ -
2. Date of the most recent evaluation of this liability:..... 12/31/2025.....
3. Was anticipated investment income utilized in the calculation?..... YES.....

31. Anticipated Salvage and Subrogation - Not Applicable

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1. Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?..... YES
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
- 1.3. State Regulating?..... IOWA
- 1.4. Is the reporting entity publicly traded or a member of a publicly traded group?..... NO
- 1.5. If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....
- 2.1. Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?..... NO
- 2.2. If yes, date of change:.....
- 3.1. State as of what date the latest financial examination of the reporting entity was made or is being made..... 12/31/2021
- 3.2. State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released..... 12/31/2021
- 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)..... 03/20/2023
- 3.4. By what department or departments?
IOWA INSURANCE DIVISION AND SOUTH DAKOTA DIVISION OF INSURANCE
- 3.5. Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?..... N/A
- 3.6. Have all of the recommendations within the latest financial examination report been complied with?..... N/A
- 4.1. During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
- 4.11. sales of new business?..... NO
- 4.12. renewals?..... NO
- 4.2. During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
- 4.21. sales of new business?..... NO
- 4.22. renewals?..... NO
- 5.1. Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?..... NO
If yes, complete and file the merger history data file with the NAIC.
- 5.2. If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1 | 2 | 3 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | 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?..... NO
- 6.2. If yes, give full information
- 7.1. Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?..... NO
- 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 | 2 |
|-------------|----------------|
| Nationality | Type of Entity |
| | |
- 8.1. Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?..... NO
- 8.2. If 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?..... NO
- 8.4. If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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

- 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?..... NO.....
- 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?..... NO.....
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG, 666 GRAND AVENUE, #2500, DES MOINES, IA 50309
- 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?..... NO.....
- 10.2. If the response to 10.1 is yes, provide information related to this exemption:
- 10.3. Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?..... NO.....
- 10.4. If the response to 10.3 is yes, provide information related to this exemption:
- 10.5. Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?..... YES.....
- 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?
DANIEL J. CALLAHAN, SENIOR ACTUARY, FSA, MAAA (EMPLOYEE), 1331 GRAND AVENUE, DES MOINES, IA 50309-2901
- 12.1. Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?..... NO.....
- 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?.....
- 13.3. Have there been any changes made to any of the trust indentures during the year?.....
- 13.4. If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?.....
- 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.....
- 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?..... NO.....
- 14.21. If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3. Have any provisions of the code of ethics been waived for any of the specified officers?..... NO.....
- 14.31. If the response to 14.3 is yes, provide the nature of any waiver(s).
- 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?..... NO.....
- 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.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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
- 17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? YES
- 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

FINANCIAL

- 19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? NO
- 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? NO
- 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
- 22.2. If answer is yes:
 - 22.21 Amount paid as losses or risk adjustment \$ 4,194,910
 - 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
- 23.2. If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ -
- 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? NO
- 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.

1 Name of Third-Party	2 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
- 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? N/A
- 25.07. Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? N/A
- 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? N/A

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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 \$

25.092. Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$

25.093. Total payable for securities lending reported on the liability page \$ -

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

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

26.21. Subject to repurchase agreements \$ 3,709,165

26.22. Subject to reverse repurchase agreements \$

26.23. Subject to dollar repurchase agreements \$

26.24. Subject to reverse dollar repurchase agreements \$

26.25. Placed under option agreements \$

26.26. Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$

26.27. FHLB Capital Stock \$ 2,556,400

26.28. On deposit with states \$

26.29. On deposit with other regulatory bodies \$

26.30. Pledged as collateral - excluding collateral pledged to an FHLB \$

26.31. Pledged as collateral to FHLB - including assets backing funding agreements \$

26.32. Other \$

26.3. For category (26.26) provide the following:

1	2	3
Nature of Restriction	Description	Amount
		\$

27.1. Does the reporting entity have any hedging transactions reported on Schedule DB? NO

27.2. If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. N/A

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?

27.4. If the response to 27.3 is YES, does the reporting entity utilize:

27.41 Special accounting provision of SSAP No. 108

27.42 Permitted accounting practice

27.43 Other accounting guidance

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:

- 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? NO

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

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

1	2
Name of Custodian(s)	Custodian's Address
BNY.....	BNY MELLON CENTER, 500 GRANT STREET, PITTSBURGH, PA 15258.....
BANKERS TRUST COMPANY.....	453 7TH STREET, DES MOINES, IA 50309.....

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	2	3
Name(s)	Location(s)	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? NO

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

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

1	2	3	4
Old Custodian	New Custodian	Date of Change	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. This includes both primary and sub-advisors. 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	2
Name of Firm or Individual	Affiliation
NISA INVESTMENT ADVISORS, LLC	U
WELLINGTON MANAGEMENT COMPANY LLP	U
MFS INSTITUTIONAL ADVISORS, INC.	U
BLACKROCK FINANCIAL MANAGEMENT, INC.	U
METROPOLITAN WEST ASSET MANAGEMENT, LLC	U
PYRFORD INTERNATIONAL, LTD.	U
BROADRIDGE BUSINESS PROCESS OUTSOURCING, LLC	U
MERCER INVESTMENTS LLC	U
WELLMARK, INC.	I

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

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

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	2	3	4
Central Registration Depository Number	Name of Firm or Individual	Registered With	Investment Management Agreement (IMA) Filed
107313	NISA INVESTMENT ADVISORS, LLC	SEC	NO
106595	WELLINGTON MANAGEMENT COMPANY LLP	SEC	NO
107144	MFS INSTITUTIONAL ADVISORS, INC.	SEC	NO
107105	BLACKROCK FINANCIAL MANAGEMENT, INC.	SEC	NO
104571	METROPOLITAN WEST ASSET MANAGEMENT, LLC	SEC	NO
105646	PYRFORD INTERNATIONAL, LTD.	SEC	NO
114212	BROADRIDGE BUSINESS PROCESS OUTSOURCING, LLC	SEC	NO
133449	MERCER INVESTMENTS LLC	SEC	NO

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

30.2. If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
72201F490	PIMCO INCOME INSTL	\$ 182,603,550
30.2999 TOTAL		\$ 182,603,550

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book / Adjusted Carrying Value Attributable to the Holding	Date of Valuation
PIMCO INCOME INSTL	Uniform MBS TBA 6.000% due 10/01/2025-12/01/2055	\$ 17,975,519	09/30/2025
PIMCO INCOME INSTL	Uniform MBS TBA 6.500% due 10/01/2025-12/01/2055	16,823,530	09/30/2025
PIMCO INCOME INSTL	PIMCO Short-Term Floating NAV Portfolio III	13,133,723	09/30/2025
PIMCO INCOME INSTL	Uniform MBS TBA 5.500% due 11/01/2025-12/01/2055	9,472,930	09/30/2025
PIMCO INCOME INSTL	Uniform MBS TBA 5.000% due 10/01/2025-12/01/2055	9,136,759	09/30/2025

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. Issuer Credit Obligations	\$ 477,370,970	\$ 479,025,354	\$ 1,654,384
31.2. Asset-Backed Securities	539,292,232	545,908,050	6,615,818
31.3. Preferred Stocks	1,965,764	1,965,764	-
31.4. Totals	\$ 1,018,628,966	\$ 1,026,899,168	\$ 8,270,202

31.5. Describe the sources or methods utilized in determining the fair values:

The Company obtains one or more prices from a third party pricing service or its custodian and evaluates between the sources for any outliers or stale prices. Assuming prices are not stale and are reasonable, the Company follows a pre-established hierarchy to determine which source to utilize.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

- 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.....
- 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.....
- 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:
- 33.1. Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?..... YES.....
- 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?..... NO.....
35. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) for private letter rating (PLR) securities and the following elements of each self-designated PLGI security:
- a. The security was either:
 - i. issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or
 - ii. issued from January 1, 2018 to December 31, 2021 and subject to a confidentiality agreement executed prior to January 1, 2022 which confidentiality agreement remains in force, for which an insurance company cannot provide a copy of a private letter rating rationale report to the SVO due to confidentiality or other contractual reasons ("waived submission PLR securities").
 - b. The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security.
 - c. The NAIC Designation and NAIC Designation Category were derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.
 - d. Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.
- Has the reporting entity self-designated PLGI to securities, all of which meet the above requirement and as specified in the P&P Manual?..... NO.....
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?..... NO.....
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?..... N/A.....
- 38.1. Does the reporting entity directly hold cryptocurrencies?..... NO.....
- 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?..... NO.....
- 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.....
- 39.22 Immediately converted to U.S. dollars.....
- 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	2	3
Name of Cryptocurrency	Immediately Converted to USD, Directly Held, or Both	Accepted for Payment of Premiums

OTHER

40.1. Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?..... \$..... 1,707,967

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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	2
Name	Amount Paid
BLUE CROSS AND BLUE SHIELD ASSOCIATION	\$..... 1,142,061

41.1. Amount of payments for legal expenses, if any?.....\$..... 3,186,915

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	2
Name	Amount Paid
.....	\$.....

42.1. Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any?.....\$..... 149,719

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	2
Name	Amount Paid
.....	\$.....

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? YES
- 1.2 If yes, indicate premium earned on U.S. business only..... \$ 498,884,757
- 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..... \$ 432,959,580
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned..... \$ 39,944,270
- 1.62 Total incurred claims..... \$ 37,197,803
- 1.63 Number of covered lives..... 18,991
- All years prior to most current three years:
- 1.64 Total premium earned..... \$ 458,940,487
- 1.65 Total incurred claims..... \$ 395,761,777
- 1.66 Number of covered lives..... 122,983
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned..... \$
- 1.72 Total incurred claims..... \$
- 1.73 Number of covered lives.....
- All years prior to most current three years:
- 1.74 Total premium earned..... \$
- 1.75 Total incurred claims..... \$
- 1.76 Number of covered lives.....

2. Health Test:

	1	2
	Current Year	Prior Year
2.1 Premium Numerator.....	\$ 2,815,229,268	\$ 2,722,405,677
2.2 Premium Denominator.....	\$ 2,815,226,268	\$ 2,722,405,677
2.3 Premium Ratio (2.1/2.2).....	100.000 %	100.000 %
2.4 Reserve Numerator.....	\$ 354,248,841	\$ 304,536,582
2.5 Reserve Denominator.....	\$ 354,248,841	\$ 304,536,582
2.6 Reserve Ratio (2.4/2.5).....	100.000 %	100.000 %

- 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?..... NO
- 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
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?..... YES
- 5.1 Does the reporting entity have stop-loss reinsurance?..... NO
- 5.2 If no, explain:
THE COMPANY RETAINS ALL RISK.
- 5.3 Maximum retained risk (see instructions)
- 5.31 Comprehensive Medical..... \$ 9,999,999
- 5.32 Medical Only..... \$ -
- 5.33 Medicare Supplement..... \$ 9,999,999
- 5.34 Dental and Vision..... \$ 9,999,999
- 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:
RESERVES EXCEED ALL REGULATORY REQUIREMENTS. MEMBER OF IOWA LIFE & HEALTH INSURANCE GUARANTY ASSOCIATION UNDER IOWA CODE 508C.
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?..... YES
- 7.2 If no, give details
- 8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year..... 9,605
- 8.2 Number of providers at end of reporting year..... 10,250
- 9.1 Does the reporting entity have business subject to premium rate guarantees?..... NO
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months..... \$ -
- 9.22 Business with rate guarantees over 36 months..... \$ -

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?..... YES.....
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses..... \$ 11,428,000
- 10.22 Amount actually paid for year bonuses..... \$ 6,940,868
- 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,..... NO.....
- 11.13 An Individual Practice Association (IPA), or,..... NO.....
- 11.14 A Mixed Model (combination of above)?..... NO.....
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?..... YES.....
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus..... IOWA.....
- 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?..... NO.....
- 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.....
SOUTH DAKOTA.....

- 13.1 Do you act as a custodian for health savings accounts?..... NO.....
- 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?..... NO.....
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$ -
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers?..... 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 guarantee)
Universal Life (with or without secondary guarantee)
Variable Universal Life (with or without secondary guarantee)

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?..... YES.....
- 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?.....

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2025	2024	2023	2022	2021
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	4,179,863,455	3,997,692,857	3,907,004,071	3,308,799,411	3,289,273,666
2. Total liabilities (Page 3, Line 24)	1,008,900,949	1,077,581,865	1,266,469,386	1,028,017,615	971,500,067
3. Statutory minimum capital and surplus requirement	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
4. Total capital and surplus (Page 3, Line 33)	3,170,962,506	2,920,110,992	2,640,534,685	2,280,781,796	2,317,773,599
Income Statement (Page 4)					
5. Total revenues (Line 8)	2,815,226,268	2,722,405,677	2,621,830,096	2,570,574,724	2,551,895,501
6. Total medical and hospital expenses (Line 18)	2,471,855,845	2,360,377,439	2,248,771,981	2,238,058,571	2,212,780,421
7. Claims adjustment expenses (Line 20)	104,986,646	86,597,546	86,294,705	80,403,314	89,136,809
8. Total administrative expenses (Line 21)	191,239,121	229,764,035	200,118,325	200,614,192	205,083,068
9. Net underwriting gain (loss) (Line 24)	47,144,656	45,666,657	86,645,085	51,498,647	44,895,203
10. Net investment gain (loss) (Line 27)	166,531,272	206,315,659	198,704,598	58,001,861	129,980,008
11. Total other income (Lines 28 plus 29)	(28,182,685)	(19,142,070)	(1,980,543)	(3,722,487)	127,803
12. Net income or (loss) (Line 32)	176,229,257	181,019,246	216,533,140	82,368,021	143,344,014
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	189,752,376	156,532,334	72,632,013	(73,587,981)	76,524,564
Risk-Based Capital Analysis					
14. Total adjusted capital	3,175,930,570	2,924,903,401	2,650,366,255	2,280,781,796	2,317,773,599
15. Authorized control level risk-based capital	294,710,682	269,745,657	232,012,849	213,806,298	210,601,587
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	1,061,633	1,079,864	1,128,636	1,132,334	1,150,378
17. Total members months (Column 6, Line 7)	12,711,038	13,177,714	13,565,905	13,661,152	13,864,371
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)	87.8	86.7	85.8	87.1	86.7
20. Cost containment expenses	0.8	0.7	0.8	0.7	0.8
21. Other claims adjustment expenses	2.9	2.5	2.5	2.4	2.7
22. Total underwriting deductions (Line 23)	98.3	98.3	96.7	98.0	98.2
23. Total underwriting gain (loss) (Line 24)	1.7	1.7	3.3	2.0	1.8
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	203,106,552	173,099,752	185,513,762	332,241,815	295,110,958
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	129,840,738	139,007,683	132,229,382	283,296,128	254,009,736
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 9 + 15, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 22, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 28, Col. 1)	800,153,140	702,496,084	692,549,659	656,143,966	606,738,262
29. Affiliated mortgage loans on real estate					
30. All other affiliated	57,987,514	39,603,946			
31. Total of above lines 26 to 30	858,140,654	742,100,030	692,549,659	656,143,966	606,738,262
32. Total investment in parent included in Lines 26 to 30 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 Corrections of Errors?
If no, please explain

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

	States, Etc.	1 Active Status (a)	Direct Business Only									
			2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 CHIP Title XXI	6 Federal Employees Health Benefits Plan Premiums	7 Life & Annuity Premiums & Other Considerations	8 Property / Casualty Premiums	9 Total Columns 2 Through 8	10 Deposit-Type Contracts	
1.	Alabama	AL	N									
2.	Alaska	AK	N									
3.	Arizona	AZ	N									
4.	Arkansas	AR	N									
5.	California	CA	N									
6.	Colorado	CO	N									
7.	Connecticut	CT	N									
8.	Delaware	DE	N									
9.	District of Columbia	DC	N									
10.	Florida	FL	N									
11.	Georgia	GA	N									
12.	Hawaii	HI	N									
13.	Idaho	ID	N									
14.	Illinois	IL	N									
15.	Indiana	IN	N									
16.	Iowa	IA	L	2,377,679,063				387,022,513			2,764,701,576	
17.	Kansas	KS	N									
18.	Kentucky	KY	N									
19.	Louisiana	LA	N									
20.	Maine	ME	N									
21.	Maryland	MD	N									
22.	Massachusetts	MA	N									
23.	Michigan	MI	N									
24.	Minnesota	MN	N									
25.	Mississippi	MS	N									
26.	Missouri	MO	N									
27.	Montana	MT	N									
28.	Nebraska	NE	N									
29.	Nevada	NV	N									
30.	New Hampshire	NH	N									
31.	New Jersey	NJ	N									
32.	New Mexico	NM	N									
33.	New York	NY	N									
34.	North Carolina	NC	N									
35.	North Dakota	ND	N									
36.	Ohio	OH	N									
37.	Oklahoma	OK	N									
38.	Oregon	OR	N									
39.	Pennsylvania	PA	N									
40.	Rhode Island	RI	N									
41.	South Carolina	SC	N									
42.	South Dakota	SD	L	76,358,417							76,358,417	
43.	Tennessee	TN	N									
44.	Texas	TX	N									
45.	Utah	UT	N									
46.	Vermont	VT	N									
47.	Virginia	VA	N									
48.	Washington	WA	N									
49.	West Virginia	WV	N									
50.	Wisconsin	WI	N									
51.	Wyoming	WY	N									
52.	American Samoa	AS	N									
53.	Guam	GU	N									
54.	Puerto Rico	PR	N									
55.	U.S. Virgin Islands	VI	N									
56.	Northern Mariana Islands	MP	N									
57.	Canada	CAN	N									
58.	Aggregate other alien	OT	XXX									
59.	Subtotal	XXX		2,454,037,480				387,022,513			2,841,059,993	
60.	Reporting entity contributions for employee benefit plans	XXX										
61.	Total (direct business)	XXX		2,454,037,480				387,022,513			2,841,059,993	
Details of Write-Ins												
58001.		XXX										
58002.		XXX										
58003.		XXX										
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX										
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX										

(a) Active Status Counts

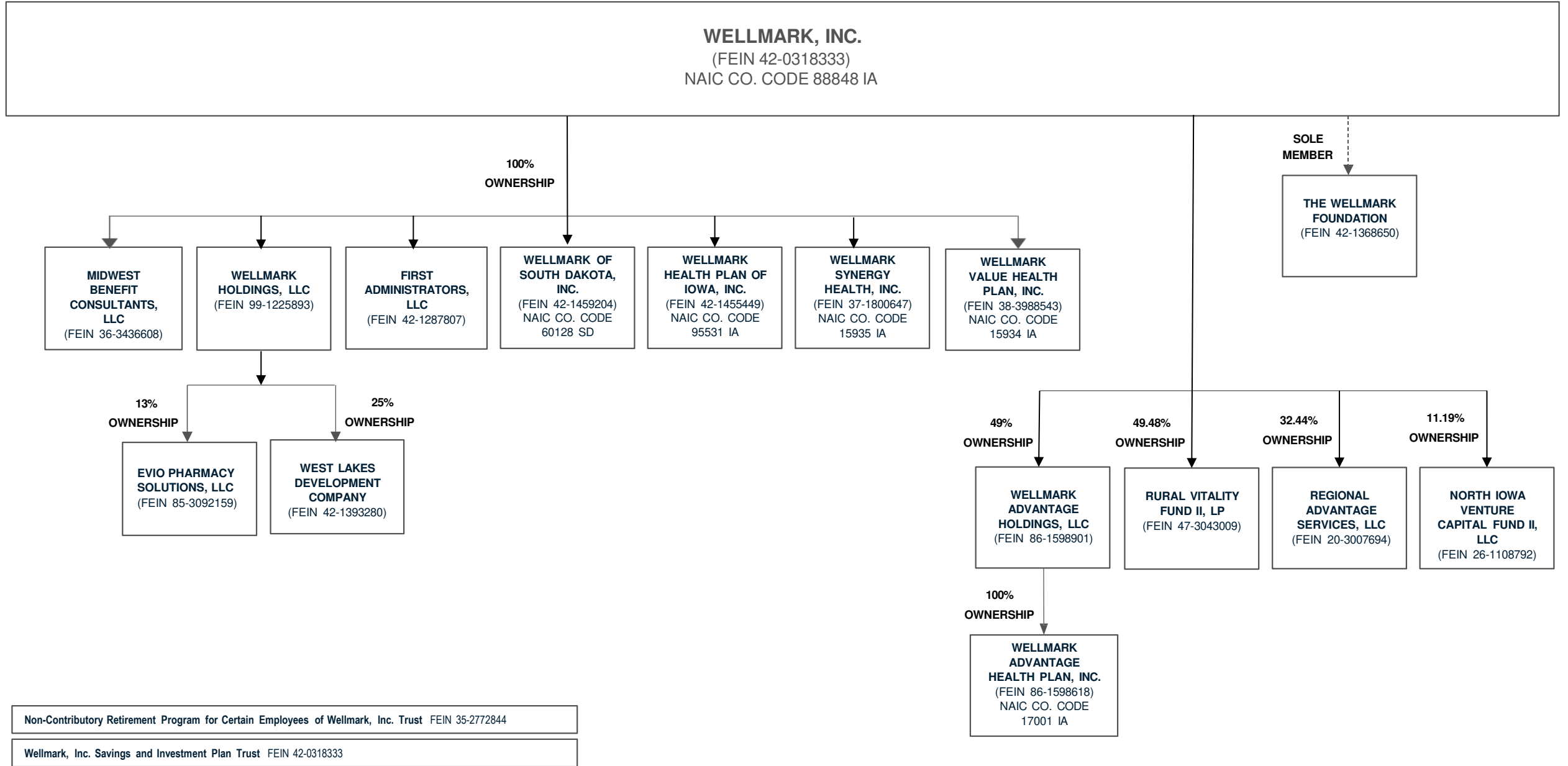
1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	2	4. Q - Qualified - Qualified or accredited reinsurer	-
2. R - Registered - Non-domiciled RRGs	-	5. N - None of the above - Not allowed to write business in the state	55
3. E - Eligible - Reporting entities eligible or approved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

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

ACCIDENT AND HEALTH PREMIUMS ARE ALLOCATED ACCORDING TO THE LOCATION OF THE GROUP OR INDIVIDUAL PURCHASER AT THE POINT OF ISSUE.

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

PART 1 – ORGANIZATIONAL CHART



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

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