



HEALTH ANNUAL STATEMENT

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

Wellmark, Inc.

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

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

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health

Is HMO Federally Qualified? Yes [] No []

Incorporated/Organized 09/19/1939 Commenced Business 10/01/1939

Statutory Home Office 1331 Grand Avenue, Des Moines, IA, US 50309-2901
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1331 Grand Avenue
(Street and Number)
Des Moines, IA, US 50309-2901, 515-376-4500
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1331 Grand Avenue, Des Moines, IA, US 50309-2901
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1331 Grand Avenue
(Street and Number)
Des Moines, IA, US 50309-2901, 515-376-4500
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.wellmark.com

Statutory Statement Contact Ashley Ariel Arellano, 515-376-6307
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OFFICERS

President & CEO Cory Randall Harris EVP, CFO & Treasurer David Seth Brown
Secretary Scott Andrew Sundstrom

OTHER

Marcelle Jo Chickering John Thomas Clendenin G. Paul Eddy
Laura Jean Jackson Christa Daneen Kuennen Jared Blayne Landin
Sean Joseph McTaggart Naim Anwar Munir MD Keith Yatish Shah

DIRECTORS OR TRUSTEES

Cory Randall Harris Daryl Keith Henze - Chairman William Curt Hunter
Douglas Dwight Laird Harlan John Langstraat # Paul Edward Larson
Angeline Marie Lavin Timothy John Theriault David Arthur Vaudt
Therese Michele Vaughan

State of Iowa SS
County of Polk

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

Cory Randall Harris
President & CEO

Scott Andrew Sundstrom
Secretary

David Seth Brown
EVP, CFO & Treasurer

Subscribed and sworn to before me this _____ day of _____

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	1,046,468,772	0	1,046,468,772	855,820,270
2. Stocks (Schedule D):				
2.1 Preferred stocks	2,273,928	552,485	1,721,443	2,395,118
2.2 Common stocks	1,469,757,455	56,690,394	1,413,067,061	1,335,457,848
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	126,424,760	27,424,760	99,000,000	99,000,000
4.2 Properties held for the production of income (less \$0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$283,786,334 , Schedule E - Part 1), cash equivalents (\$215,758,641 , Schedule E - Part 2) and short-term investments (\$9,313,497 , Schedule DA)	508,858,472	0	508,858,472	325,027,163
6. Contract loans, (including \$0 premium notes)	0	0	0	0
7. Derivatives (Schedule DB)	0	0	0	0
8. Other invested assets (Schedule BA)	321,967,228	8,883,851	313,083,377	236,149,205
9. Receivables for securities	8,733,811	0	8,733,811	672,893
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	3,484,484,426	93,551,490	3,390,932,936	2,854,522,497
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	9,277,577	0	9,277,577	7,360,584
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	91,104,216	0	91,104,216	82,475,716
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums (\$3,139,828) and contracts subject to redetermination (\$21,070,000)	24,209,828	0	24,209,828	19,514,879
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	0	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	231,847,469	16,772,001	215,075,468	127,650,579
18.1 Current federal and foreign income tax recoverable and interest thereon	27,232,408	0	27,232,408	30,396,654
18.2 Net deferred tax asset	67,619,000	11,689,000	55,930,000	53,152,000
19. Guaranty funds receivable or on deposit	5,072,274	0	5,072,274	9,649,911
20. Electronic data processing equipment and software	6,844,621	6,163,290	681,331	1,571,879
21. Furniture and equipment, including health care delivery assets (\$0)	16,974,334	16,974,334	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	24,297,322	11,986,754	12,310,568	41,644,649
24. Health care (\$66,229,864) and other amounts receivable	128,158,514	53,493,319	74,665,195	80,352,479
25. Aggregate write-ins for other than invested assets	65,032,193	64,519,923	512,270	507,584
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	4,182,154,182	275,150,111	3,907,004,071	3,308,799,411
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	4,182,154,182	275,150,111	3,907,004,071	3,308,799,411
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Premium Tax Assets	13,891,586	13,891,586	0	0
2502. Prepaid Pension Costs	24,763,757	24,763,757	0	0
2503. Other Prepaid Expenses	24,438,685	24,438,685	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	1,938,165	1,425,895	512,270	507,584
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	65,032,193	64,519,923	512,270	507,584

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$0 reinsurance ceded)	236,281,742	0	236,281,742	244,260,586
2. Accrued medical incentive pool and bonus amounts	3,410,000	0	3,410,000	4,110,554
3. Unpaid claims adjustment expenses.....	4,058,760	0	4,058,760	3,535,954
4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	64,509,978	0	64,509,978	70,915,662
5. Aggregate life policy reserves.....	0	0	0	0
6. Property/casualty unearned premium reserves.....	0	0	0	0
7. Aggregate health claim reserves.....	0	0	0	0
8. Premiums received in advance.....	91,548,951	0	91,548,951	84,805,150
9. General expenses due or accrued.....	198,719,885	0	198,719,885	164,426,694
10.1 Current federal and foreign income tax payable and interest thereon (including \$0 on realized capital gains (losses))	0	0	0	0
10.2 Net deferred tax liability.....	0	0	0	0
11. Ceded reinsurance premiums payable.....	0	0	0	0
12. Amounts withheld or retained for the account of others.....	6,118,820	0	6,118,820	5,392,129
13. Remittances and items not allocated.....	192,297,292	0	192,297,292	22,295,940
14. Borrowed money (including \$0 current) and interest thereon \$0 (including \$0 current).....	0	0	0	0
15. Amounts due to parent, subsidiaries and affiliates.....	114,722,610	0	114,722,610	125,299,310
16. Derivatives.....	0	0	0	0
17. Payable for securities.....	91,510,740	0	91,510,740	50,361,001
18. Payable for securities lending	0	0	0	0
19. Funds held under reinsurance treaties (with \$0 authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers).....	0	0	0	0
20. Reinsurance in unauthorized and certified (\$0) companies	0	0	0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates	0	0	0	0
22. Liability for amounts held under uninsured plans.....	107,204,954	0	107,204,954	106,769,099
23. Aggregate write-ins for other liabilities (including \$138,042,279 current).....	156,085,654	0	156,085,654	145,845,536
24. Total liabilities (Lines 1 to 23).....	1,266,469,386	0	1,266,469,386	1,028,017,615
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	0	0
27. Preferred capital stock.....	XXX	XXX	0	0
28. Gross paid in and contributed surplus.....	XXX	XXX	0	0
29. Surplus notes.....	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	2,640,534,685	2,280,781,796
32. Less treasury stock, at cost:				
32.10 shares common (value included in Line 26 \$0).....	XXX	XXX	0	0
32.20 shares preferred (value included in Line 27 \$0).....	XXX	XXX	0	0
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	2,640,534,685	2,280,781,796
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	3,907,004,071	3,308,799,411
DETAILS OF WRITE-INS				
2301. Other Liabilities	8,896,335	0	8,896,335	11,008,983
2302. Health Assessments	9,190,000	0	9,190,000	7,600,000
2303. Payments in Process	134,981,025	0	134,981,025	124,765,397
2398. Summary of remaining write-ins for Line 23 from overflow page	3,018,294	0	3,018,294	2,471,156
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	156,085,654	0	156,085,654	145,845,536
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	13,565,905	13,661,152
2. Net premium income (including \$0 non-health premium income)	XXX	2,615,179,412	2,576,337,134
3. Change in unearned premium reserves and reserve for rate credits	XXX	6,650,684	(5,762,410)
4. Fee-for-service (net of \$0 medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	2,621,830,096	2,570,574,724
Hospital and Medical:			
9. Hospital/medical benefits	0	1,446,352,894	1,448,955,869
10. Other professional services	0	278,739,254	267,281,695
11. Outside referrals	0	82,010,668	89,457,928
12. Emergency room and out-of-area	0	99,276,071	97,897,355
13. Prescription drugs	0	329,894,368	322,622,882
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts	0	12,498,726	11,842,842
16. Subtotal (Lines 9 to 15)	0	2,248,771,981	2,238,058,571
Less:			
17. Net reinsurance recoveries	0	0	0
18. Total hospital and medical (Lines 16 minus 17)	0	2,248,771,981	2,238,058,571
19. Non-health claims (net)	0	0	0
20. Claims adjustment expenses, including \$20,674,965 cost containment expenses	0	86,294,705	80,403,314
21. General administrative expenses	0	200,118,325	200,614,192
22. Increase in reserves for life and accident and health contracts (including \$0 increase in reserves for life only)	0	0	0
23. Total underwriting deductions (Lines 18 through 22).....	0	2,535,185,011	2,519,076,077
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	86,645,085	51,498,647
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)	0	192,450,559	114,833,891
26. Net realized capital gains (losses) less capital gains tax of \$128,000	0	6,254,039	(56,832,030)
27. Net investment gains (losses) (Lines 25 plus 26)	0	198,704,598	58,001,861
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$0) (amount charged off \$0)]	0	0	0
29. Aggregate write-ins for other income or expenses	0	(1,980,543)	(3,722,487)
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	283,369,140	105,778,021
31. Federal and foreign income taxes incurred	XXX	66,836,000	23,410,000
32. Net income (loss) (Lines 30 minus 31)	XXX	216,533,140	82,368,021
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. Other Expense	0	(1,980,543)	(3,722,487)
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	(1,980,543)	(3,722,487)

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	2,280,781,796	2,317,773,599
34. Net income or (loss) from Line 32	216,533,140	82,368,021
35. Change in valuation basis of aggregate policy and claim reserves	0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ 16,789,000	95,539,888	(72,810,655)
37. Change in net unrealized foreign exchange capital gain or (loss)	8,022,074	(8,321,805)
38. Change in net deferred income tax	24,834,000	5,041,000
39. Change in nonadmitted assets	(2,807,178)	(38,554,833)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles.....	0	0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....	0	0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital	0	0
46. Dividends to stockholders	0	0
47. Aggregate write-ins for gains or (losses) in surplus	17,630,965	(4,713,531)
48. Net change in capital and surplus (Lines 34 to 47)	359,752,889	(36,991,803)
49. Capital and surplus end of reporting period (Line 33 plus 48)	2,640,534,685	2,280,781,796
DETAILS OF WRITE-INS		
4701. Change in Pension and Other Postemployment Benefit Obligation	17,630,965	(4,713,531)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	17,630,965	(4,713,531)

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	2,608,844,764	2,548,835,111
2. Net investment income	109,529,600	82,132,797
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	2,718,374,364	2,630,967,908
5. Benefit and loss related payments	2,241,993,680	2,389,125,317
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	339,948,917	302,683,086
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 128,000 tax on capital gains (losses)	63,799,754	12,747,486
10. Total (Lines 5 through 9)	2,645,742,351	2,704,555,889
11. Net cash from operations (Line 4 minus Line 10)	72,632,013	(73,587,981)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,156,389,278	708,898,430
12.2 Stocks	231,582,477	69,963,547
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	3,524,205	11,051,159
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(45,169)	(6,447)
12.7 Miscellaneous proceeds	41,149,739	45,084,972
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,432,600,530	834,991,661
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,360,147,016	625,555,603
13.2 Stocks	169,926,099	212,752,549
13.3 Mortgage loans	0	0
13.4 Real estate	1,005,856	3,273
13.5 Other invested assets	80,324,000	62,158,487
13.6 Miscellaneous applications	8,270,242	279,141
13.7 Total investments acquired (Lines 13.1 to 13.6)	1,619,673,213	900,749,053
14. Net increase/(decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(187,072,683)	(65,757,392)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	298,271,979	238,346,586
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	298,271,979	238,346,586
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)	183,831,309	99,001,213
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	325,027,163	226,025,950
19.2 End of year (Line 18 plus Line 19.1)	508,858,472	325,027,163
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001. Noncash dividend from subsidiary	89,500,000	43,500,000

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Net premium income	2,615,179,412	93,668,300	1,351,105,528	461,646,882	1,194,818	35,679,803	319,649,085	0	0	0	0	0	352,234,996	0
2. Change in unearned premium reserves and reserve for rate credit	6,650,684	68,451	(2,773,025)	18,653	0	(4,109)	8,502,826	0	0	0	0	0	837,888	0
3. Fee-for-service (net of \$ medical expenses)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4. Risk revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	2,621,830,096	93,736,751	1,348,332,503	461,665,535	1,194,818	35,675,694	328,151,911	0	0	0	0	0	353,072,884	0
8. Hospital/medical benefits	1,446,352,894	51,456,927	730,966,567	300,410,471	0	0	163,700,418	0	0	0	0	0	199,818,511	XXX
9. Other professional services	278,739,254	8,859,912	125,858,651	51,725,016	935,807	28,768,766	28,186,124	0	0	0	0	0	34,404,978	XXX
10. Outside referrals	82,010,668	2,917,695	41,447,048	17,033,784	0	0	9,282,092	0	0	0	0	0	11,330,049	XXX
11. Emergency room and out-of-area	99,276,071	3,531,947	50,172,741	20,619,844	0	0	11,236,217	0	0	0	0	0	13,715,322	XXX
12. Prescription drugs	329,894,368	12,870,363	200,122,932	3,255	0	0	88,478,250	0	0	0	0	0	28,419,568	XXX
13. Aggregate write-ins for other hospital and medical incentive pool, withhold adjustments and bonus amounts	12,498,726	860,829	11,637,897	0	0	0	0	0	0	0	0	0	0	XXX
15. Subtotal (Lines 8 to 14)	2,248,771,981	80,497,673	1,160,205,836	389,792,370	935,807	28,768,766	300,883,101	0	0	0	0	0	287,688,428	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	2,248,771,981	80,497,673	1,160,205,836	389,792,370	935,807	28,768,766	300,883,101	0	0	0	0	0	287,688,428	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ 20,674,965 cost containment expenses	86,294,705	1,498,251	31,953,199	12,682,699	150,155	1,551,458	18,918,937	0	0	0	0	0	19,540,006	0
20. General administrative expenses	200,118,325	6,308,444	97,296,805	61,302,565	11,854	3,877,873	7,415,958	0	0	0	0	0	23,904,826	0
21. Increase in reserves for accident and health contracts	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	2,535,185,011	88,304,368	1,289,455,840	463,777,634	1,097,816	34,198,097	327,217,996	0	0	0	0	0	331,133,260	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	86,645,085	5,432,383	58,876,663	(2,112,099)	97,002	1,477,597	933,915	0	0	0	0	0	21,939,624	0
DETAILS OF WRITE-INS														
0501.														XXX
0502.														XXX
0503.														XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	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	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.														XXX
1302.														XXX
1303.														XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical) individual	93,668,300	0	0	93,668,300
2. Comprehensive (hospital and medical) group	1,351,105,528	0	0	1,351,105,528
3. Medicare Supplement	461,646,882	0	0	461,646,882
4. Vision only	1,194,818	0	0	1,194,818
5. Dental only	35,679,803	0	0	35,679,803
6. Federal Employees Health Benefits Plan	319,649,085	0	0	319,649,085
7. Title XVIII - Medicare	0	0	0	0
8. Title XIX - Medicaid	0	0	0	0
9. Credit A&H	0	0	0	0
10. Disability Income	0	0	0	0
11. Long-Term Care	0	0	0	0
12. Other health	352,234,996	0	0	352,234,996
13. Health subtotal (Lines 1 through 12)	2,615,179,412	0	0	2,615,179,412
14. Life	0	0	0	0
15. Property/casualty	0	0	0	0
16. Totals (Lines 13 to 15)	2,615,179,412	0	0	2,615,179,412

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Payments during the year:														
1.1 Direct	2,228,794,400	77,967,661	1,136,861,220	393,203,956	940,835	28,864,774	300,977,077	0	0	0	0	0	289,978,877	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.4 Net	2,228,794,400	77,967,661	1,136,861,220	393,203,956	940,835	28,864,774	300,977,077	0	0	0	0	0	289,978,877	0
2. Paid medical incentive pools and bonuses	13,199,280	835,486	12,363,794	0	0	0	0	0	0	0	0	0	0	0
3. Claim liability December 31, current year from Part 2A:														
3.1 Direct	236,281,742	7,800,000	117,135,512	59,170,000	29,501	1,570,373	24,046,000	0	0	0	0	0	26,530,356	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	236,281,742	7,800,000	117,135,512	59,170,000	29,501	1,570,373	24,046,000	0	0	0	0	0	26,530,356	0
4. Claim reserve December 31, current year from Part 2D:														
4.1 Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	3,410,000	257,796	3,152,204	0	0	0	0	0	0	0	0	0	0	0
6. Net health care receivables (a)	(15,457,699)	(1,931,183)	(15,518,016)	156,586	0	0	30,976	0	0	0	0	0	1,803,938	0
7. Amounts recoverable from reinsurers December 31, current year	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:														
8.1 Direct	244,260,586	8,062,000	120,946,809	62,425,000	34,529	1,666,381	24,109,000	0	0	0	0	0	27,016,867	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8.4 Net	244,260,586	8,062,000	120,946,809	62,425,000	34,529	1,666,381	24,109,000	0	0	0	0	0	27,016,867	0
9. Claim reserve December 31, prior year from Part 2D:														
9.1 Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	4,110,554	232,453	3,878,101	0	0	0	0	0	0	0	0	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Incurred Benefits:														
12.1 Direct	2,236,273,255	79,636,844	1,148,567,939	389,792,370	935,807	28,768,766	300,883,101	0	0	0	0	0	287,688,428	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12.4 Net	2,236,273,255	79,636,844	1,148,567,939	389,792,370	935,807	28,768,766	300,883,101	0	0	0	0	0	287,688,428	0
13. Incurred medical incentive pools and bonuses	12,498,726	860,829	11,637,897	0	0	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT
PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Credit A&H	11 Disability Income	12 Long-Term Care	13 Other Health	14 Other Non-Health
		2 Individual	3 Group											
1. Reported in Process of Adjustment:														
1.1 Direct	71,342,763	2,263,878	31,770,191	23,929,155	5,900	314,075	5,720,903	0	0	0	0	0	7,338,661	0
1.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1.4 Net	71,342,763	2,263,878	31,770,191	23,929,155	5,900	314,075	5,720,903	0	0	0	0	0	7,338,661	0
2. Incurred but Unreported:														
2.1 Direct	164,938,979	5,536,122	85,365,321	35,240,845	23,601	1,256,298	18,325,097	0	0	0	0	0	19,191,695	0
2.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2.4 Net	164,938,979	5,536,122	85,365,321	35,240,845	23,601	1,256,298	18,325,097	0	0	0	0	0	19,191,695	0
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. TOTALS:														
4.1 Direct	236,281,742	7,800,000	117,135,512	59,170,000	29,501	1,570,373	24,046,000	0	0	0	0	0	26,530,356	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Net	236,281,742	7,800,000	117,135,512	59,170,000	29,501	1,570,373	24,046,000	0	0	0	0	0	26,530,356	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5 Claims Incurred In Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
	1. Comprehensive (hospital and medical) individual	6,407,078	71,560,583	59,847	7,740,153	6,466,925
2. Comprehensive (hospital and medical) group	106,802,783	1,030,058,437	836,542	116,298,970	107,639,325	120,946,809
3. Medicare Supplement	51,269,415	341,934,541	74,899	59,095,101	51,344,314	62,425,000
4. Vision Only	33,859	906,976	670	28,831	34,529	34,529
5. Dental Only	1,427,671	27,437,103	35,686	1,534,687	1,463,357	1,666,381
6. Federal Employees Health Benefits Plan	22,825,794	278,151,283	651,814	23,394,186	23,477,608	24,109,000
7. Title XVIII - Medicare	0	0	0	0	0	0
8. Title XIX - Medicaid	0	0	0	0	0	0
9. Credit A&H	0	0	0	0	0	0
10. Disability Income	0	0	0	0	0	0
11. Long-Term Care	0	0	0	0	0	0
12. Other health	24,739,990	265,238,887	252,548	26,277,808	24,992,538	27,016,867
13. Health subtotal (Lines 1 to 12)	213,506,590	2,015,287,810	1,912,006	234,369,736	215,418,596	244,260,586
14. Health care receivables (a)	31,665,030	68,471,619	4,084	543,326	31,669,114	116,141,758
15. Other non-health	0	0	0	0	0	0
16. Medical incentive pools and bonus amounts	1,764,280	11,435,000	0	3,410,000	1,764,280	4,110,554
17. Totals (Lines 13 - 14 + 15 + 16)	183,605,840	1,958,251,191	1,907,922	237,236,410	185,513,762	132,229,382

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	214,688	215,147	215,147	215,147	215,147
2. 2019	1,099,532	1,315,927	1,315,275	1,315,275	1,315,275
3. 2020	XXX	1,057,547	1,254,477	1,254,112	1,254,112
4. 2021	XXX	XXX	1,072,179	1,293,725	1,295,107
5. 2022	XXX	XXX	XXX	1,133,410	1,248,243
6. 2023	XXX	XXX	XXX	XXX	1,111,815

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	216,600	215,147	215,147	215,147	215,147
2. 2019	1,342,459	1,317,449	1,315,275	1,315,275	1,315,275
3. 2020	XXX	1,274,806	1,255,114	1,254,112	1,254,112
4. 2021	XXX	XXX	1,307,427	1,294,225	1,295,151
5. 2022	XXX	XXX	XXX	1,266,030	1,249,094
6. 2023	XXX	XXX	XXX	XXX	1,239,264

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	1,560,536	1,315,275	26,665	2.0	1,341,940	86.0	0	0	1,341,940	86.0
2. 2020	1,482,435	1,254,112	16,269	1.3	1,270,381	85.7	0	0	1,270,381	85.7
3. 2021	1,452,835	1,295,107	22,553	1.7	1,317,660	90.7	44	0	1,317,704	90.7
4. 2022	1,448,806	1,248,243	21,136	1.7	1,269,379	87.6	851	14	1,270,244	87.7
5. 2023	1,442,069	1,111,815	31,420	2.8	1,143,235	79.3	127,449	2,031	1,272,715	88.3

12.HM

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	60,622	60,675	60,675	60,675	60,675
2. 2019	296,262	365,120	365,229	365,229	365,229
3. 2020	XXX	280,791	345,076	345,247	345,247
4. 2021	XXX	XXX	300,240	374,948	375,128
5. 2022	XXX	XXX	XXX	330,862	381,951
6. 2023	XXX	XXX	XXX	XXX	341,935

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	60,769	60,675	60,675	60,675	60,675
2. 2019	367,505	365,184	365,229	365,229	365,229
3. 2020	XXX	357,704	345,213	345,247	345,247
4. 2021	XXX	XXX	386,010	375,019	375,129
5. 2022	XXX	XXX	XXX	393,216	382,025
6. 2023	XXX	XXX	XXX	XXX	401,030

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	420,477	365,229	15,088	4.1	380,317	90.4	0	0	380,317	90.4
2. 2020	425,168	345,247	15,224	4.4	360,471	84.8	0	0	360,471	84.8
3. 2021	447,801	375,128	14,530	3.9	389,658	87.0	1	0	389,659	87.0
4. 2022	458,152	381,951	12,613	3.3	394,564	86.1	74	1	394,639	86.1
5. 2023	461,665	341,935	11,742	3.4	353,677	76.6	59,095	941	413,713	89.6

12.MS

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior	1,479	1,490	1,490	1,490	1,490
2.	2019	22,546	23,742	23,754	23,754	23,754
3.	2020	XXX	19,748	21,192	21,246	21,246
4.	2021	XXX	XXX	24,943	26,328	26,356
5.	2022	XXX	XXX	XXX	25,939	27,338
6.	2023	XXX	XXX	XXX	XXX	27,437

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior	1,483	1,490	1,490	1,490	1,490
2.	2019	24,260	23,749	23,754	23,754	23,754
3.	2020	XXX	21,525	21,215	21,246	21,246
4.	2021	XXX	XXX	26,683	26,364	26,356
5.	2022	XXX	XXX	XXX	27,569	27,374
6.	2023	XXX	XXX	XXX	XXX	28,972

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	30,356	23,754	1,177	5.0	24,931	82.1	0	0	24,931	82.1
2. 2020	31,989	21,246	1,457	6.9	22,703	71.0	0	0	22,703	71.0
3. 2021	32,537	26,356	1,233	4.7	27,589	84.8	0	0	27,589	84.8
4. 2022	34,015	27,338	1,221	4.5	28,559	84.0	36	1	28,596	84.1
5. 2023	35,676	27,437	1,528	5.6	28,965	81.2	1,535	24	30,524	85.6

12.D0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	21	21	21	21	21
2. 2019	783	805	805	805	805
3. 2020	XXX	658	683	684	684
4. 2021	XXX	XXX	793	818	819
5. 2022	XXX	XXX	XXX	849	882
6. 2023	XXX	XXX	XXX	XXX	907

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	21	21	21	21	21
2. 2019	805	805	805	805	805
3. 2020	XXX	683	683	684	684
4. 2021	XXX	XXX	819	819	819
5. 2022	XXX	XXX	XXX	883	883
6. 2023	XXX	XXX	XXX	XXX	936

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	1,021	805	84	10.4	889	87.1	0	0	889	87.1
2. 2020	1,017	684	122	17.8	806	79.3	0	0	806	79.3
3. 2021	1,092	819	95	11.6	914	83.7	0	0	914	83.7
4. 2022	1,131	882	115	13.0	997	88.2	1	0	998	88.2
5. 2023	1,195	907	150	16.5	1,057	88.5	29	0	1,086	90.9

12 VO

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

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

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	28,542	28,791	28,791	28,791	28,791
2. 2019	204,426	241,734	242,006	242,006	242,006
3. 2020	XXX	215,143	247,113	247,267	247,267
4. 2021	XXX	XXX	231,942	274,478	275,118
5. 2022	XXX	XXX	XXX	247,128	269,314
6. 2023	XXX	XXX	XXX	XXX	278,151

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

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	28,791	28,791	28,791	28,791	28,791
2. 2019	237,405	242,379	242,006	242,006	242,006
3. 2020	XXX	251,503	247,532	247,267	247,267
4. 2021	XXX	XXX	274,530	274,701	275,138
5. 2022	XXX	XXX	XXX	271,014	269,946
6. 2023	XXX	XXX	XXX	XXX	301,545

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	260,409	242,006	16,164	6.7	258,170	99.1	0	0	258,170	99.1
2. 2020	287,201	247,267	19,165	7.8	266,432	92.8	0	0	266,432	92.8
3. 2021	292,734	275,118	17,036	6.2	292,154	99.8	20	0	292,174	99.8
4. 2022	295,556	269,314	16,649	6.2	285,963	96.8	632	17	286,612	97.0
5. 2023	328,152	278,151	18,311	6.6	296,462	90.3	23,394	608	320,464	97.7

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	20,273	20,273	20,274	20,274	20,274
2. 2019	244,761	267,076	267,076	267,076	267,076
3. 2020	XXX	270,189	288,076	288,076	288,076
4. 2021	XXX	XXX	241,114	260,480	260,480
5. 2022	XXX	XXX	XXX	291,356	316,096
6. 2023	XXX	XXX	XXX	XXX	265,239

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2019	2 2020	3 2021	4 2022	5 2023
1. Prior	20,434	20,273	20,274	20,274	20,274
2. 2019	268,772	267,231	267,076	267,076	267,076
3. 2020	XXX	290,399	288,204	288,076	288,076
4. 2021	XXX	XXX	262,375	260,653	260,481
5. 2022	XXX	XXX	XXX	318,200	316,348
6. 2023	XXX	XXX	XXX	XXX	291,517

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	287,424	267,076	16,431	6.2	283,507	98.6	0	0	283,507	98.6
2. 2020	306,322	288,076	16,803	5.8	304,879	99.5	0	0	304,879	99.5
3. 2021	324,897	260,480	12,892	4.9	273,372	84.1	1	0	273,373	84.1
4. 2022	332,915	316,096	7,983	2.5	324,079	97.3	252	4	324,335	97.4
5. 2023	353,073	265,239	10,059	3.8	275,298	78.0	26,278	418	301,994	85.5

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ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

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

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior	325,625	326,397	326,398	326,398	326,398
2.	2019	1,868,310	2,214,404	2,214,145	2,214,145	2,214,145
3.	2020	XXX	1,844,076	2,156,617	2,156,632	2,156,632
4.	2021	XXX	XXX	1,871,211	2,230,777	2,233,008
5.	2022	XXX	XXX	XXX	2,029,544	2,243,824
6.	2023	XXX	XXX	XXX	XXX	2,025,484

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2019	2 2020	3 2021	4 2022	5 2023
1.	Prior	328,098	326,397	326,398	326,398	326,398
2.	2019	2,241,206	2,216,797	2,214,145	2,214,145	2,214,145
3.	2020	XXX	2,196,620	2,157,961	2,156,632	2,156,632
4.	2021	XXX	XXX	2,257,844	2,231,781	2,233,074
5.	2022	XXX	XXX	XXX	2,276,912	2,245,670
6.	2023	XXX	XXX	XXX	XXX	2,263,264

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2019	2,560,223	2,214,145	75,609	3.4	2,289,754	89.4	0	0	2,289,754	89.4
2. 2020	2,534,132	2,156,632	69,040	3.2	2,225,672	87.8	0	0	2,225,672	87.8
3. 2021	2,551,896	2,233,008	68,339	3.1	2,301,347	90.2	66	0	2,301,413	90.2
4. 2022	2,570,575	2,243,824	59,717	2.7	2,303,541	89.6	1,846	37	2,305,424	89.7
5. 2023	2,621,830	2,025,484	73,210	3.6	2,098,694	80.0	237,780	4,022	2,340,496	89.3

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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	71,849	(66,238)	157,274	(23,296)	0	4,109	0	0	0	0	0	0	0
2. Additional policy reserves (a)	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Reserve for rate credits or experience rating refunds (including \$0 for investment income) ..	62,723,129	0	29,278,375	0	0	0	33,444,754	0	0	0	0	0	0
5. Aggregate write-ins for other policy reserves	1,715,000	0	1,715,000	0	0	0	0	0	0	0	0	0	0
6. Totals (gross)	64,509,978	(66,238)	31,150,649	(23,296)	0	4,109	33,444,754	0	0	0	0	0	0
7. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Totals (Net)(Page 3, Line 4)	64,509,978	(66,238)	31,150,649	(23,296)	0	4,109	33,444,754	0	0	0	0	0	0
9. Present value of amounts not yet due on claims	0	0	0	0	0	0	0	0	0	0	0	0	0
10. Reserve for future contingent benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501. ACA Risk Adjustment Payable	1,715,000	0	1,715,000	0	0	0	0	0	0	0	0	0	0
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	1,715,000	0	1,715,000	0	0	0	0	0	0	0	0	0	0
1101.													
1102.													
1103.													
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0	0	0	0	0

(a) Includes \$0 premium deficiency reserve.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$ 13,475,025 for occupancy of own building)	234,394	557,055	15,007,830	0	15,799,279
2. Salary, wages and other benefits	15,706,969	34,626,308	117,367,594	158,300	167,859,171
3. Commissions (less \$ 0 ceded plus \$ 0 assumed)	0	0	50,226,532	0	50,226,532
4. Legal fees and expenses	0	0	2,500,844	0	2,500,844
5. Certifications and accreditation fees	0	0	1,375	0	1,375
6. Auditing, actuarial and other consulting services	0	0	357,456	0	357,456
7. Traveling expenses	59,000	92,392	1,196,750	0	1,348,142
8. Marketing and advertising	213,727	388	3,625,026	0	3,839,141
9. Postage, express and telephone	234,435	3,224,790	2,613,427	0	6,072,652
10. Printing and office supplies	214,152	892,577	931,911	442	2,039,082
11. Occupancy, depreciation and amortization	447,450	1,075,522	3,035,319	0	4,558,291
12. Equipment	9,878	22,744	377,626	0	410,248
13. Cost or depreciation of EDP equipment and software	2,277,119	1,889,212	28,473,828	86,040	32,726,199
14. Outsourced services including EDP, claims, and other services	9,604,707	29,477,116	37,141,273	0	76,223,096
15. Boards, bureaus and association fees	46,198	7,561	1,728,538	41,745	1,824,042
16. Insurance, except on real estate	154,220	354,923	1,969,297	0	2,478,440
17. Collection and bank service charges	0	0	4	370,470	370,474
18. Group service and administration fees	8,331,771	14,293,972	1,464	0	22,627,207
19. Reimbursements by uninsured plans	(24,235,106)	(27,927,443)	(94,367,120)	0	(146,529,669)
20. Reimbursements from fiscal intermediaries	0	0	0	0	0
21. Real estate expenses	42,563	102,828	266,729	0	412,120
22. Real estate taxes	254,952	585,930	1,590,547	0	2,431,429
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	0	0	0	0	0
23.2 State premium taxes	0	0	19,515,698	0	19,515,698
23.3 Regulatory authority licenses and fees	0	0	787,841	0	787,841
23.4 Payroll taxes	794,467	1,637,655	5,074,162	441	7,506,725
23.5 Other (excluding federal income and real estate taxes)	0	0	929,834	0	929,834
24. Investment expenses not included elsewhere	0	0	0	5,226,948	5,226,948
25. Aggregate write-ins for expenses	6,284,069	4,706,210	(235,460)	0	10,754,819
26. Total expenses incurred (Lines 1 to 25)	20,674,965	65,619,740	200,118,325	5,884,386	(a) 292,297,416
27. Less expenses unpaid December 31, current year	972,420	3,086,340	197,134,147	1,585,738	202,778,645
28. Add expenses unpaid December 31, prior year	778,366	2,757,588	162,823,389	1,603,305	167,962,648
29. Amounts receivable relating to uninsured plans, prior year	0	0	140,420,579	0	140,420,579
30. Amounts receivable relating to uninsured plans, current year	0	0	231,847,469	0	231,847,469
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	20,480,911	65,290,988	257,234,457	5,901,953	348,908,309
DETAILS OF WRITE-INS					
2501. BlueCard Home Access Fees	6,140,788	4,093,859	0	0	10,234,647
2502. Miscellaneous Expenses and Reimbursements	143,281	612,351	(235,460)	0	520,172
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	6,284,069	4,706,210	(235,460)	0	10,754,819

(a) Includes management fees of \$ 0 to affiliates and \$ 0 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds	(a) 3,117,154	3,525,196
1.1 Bonds exempt from U.S. tax	(a) 0	0
1.2 Other bonds (unaffiliated)	(a) 43,050,628	44,000,602
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 59,475	59,376
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	25,135,552	24,638,847
2.21 Common stocks of affiliates	89,500,000	89,500,000
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 13,475,025	13,475,025
5. Contract Loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 19,880,664	20,943,048
7. Derivative instruments	(f) 0	0
8. Other invested assets	7,909,409	7,909,409
9. Aggregate write-ins for investment income	747,807	747,807
10. Total gross investment income	202,875,714	204,799,310
11. Investment expenses		(g) 5,883,945
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 441
13. Interest expense		(h) 29,512
14. Depreciation on real estate and other invested assets		(i) 6,434,853
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		12,348,751
17. Net investment income (Line 10 minus Line 16)		192,450,559
DETAILS OF WRITE-INS		
0901. Miscellaneous Investment Income	747,807	747,807
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	747,807	747,807
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 11,144,139 accrual of discount less \$ 13,231,802 amortization of premium and less \$ 1,658,572 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 13,475,025 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 2,394,686 accrual of discount less \$ 461,948 amortization of premium and less \$ 4,690 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 6,434,853 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(1,134,960)	0	(1,134,960)	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	(9,959,811)	(1,158,323)	(11,118,134)	1,231,521	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	31,506	(120,710)	(89,204)	417,810	184,417
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	31,131,042	(11,697,432)	19,433,610	74,511,021	7,837,657
2.21 Common stocks of affiliates	0	0	0	40,401,352	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	(45,169)	(209,323)	(254,492)	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	(4,781)	(450,000)	(454,781)	(4,232,817)	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	20,017,827	(13,635,788)	6,382,039	112,328,887	8,022,074
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	552,485	908,147	355,662
2.2 Common stocks	56,690,394	52,229,985	(4,460,409)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	27,424,760	32,853,757	5,428,997
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	8,883,851	13,696,911	4,813,060
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	93,551,490	99,688,800	6,137,310
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	16,772,001	12,770,000	(4,002,001)
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	11,689,000	11,108,000	(581,000)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	6,163,290	5,216,863	(946,427)
21. Furniture and equipment, including health care delivery assets	16,974,334	14,435,049	(2,539,285)
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivable from parent, subsidiaries and affiliates	11,986,754	10,725,607	(1,261,147)
24. Health care and other amounts receivable	53,493,319	67,187,264	13,693,945
25. Aggregate write-ins for other than invested assets	64,519,923	51,211,350	(13,308,573)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	275,150,111	272,342,933	(2,807,178)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	275,150,111	272,342,933	(2,807,178)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaid Premium Tax Assets	13,891,586	16,314,323	2,422,737
2502. Prepaid Pension Costs	24,763,757	12,465,891	(12,297,866)
2503. Other Prepaid Expenses	24,438,685	20,907,928	(3,530,757)
2598. Summary of remaining write-ins for Line 25 from overflow page	1,425,895	1,523,208	97,313
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	64,519,923	51,211,350	(13,308,573)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	0	0	0	0	0	0
2. Provider Service Organizations	0	0	0	0	0	0
3. Preferred Provider Organizations	808,894	804,637	801,398	798,580	800,390	9,626,029
4. Point of Service	0	0	0	0	0	0
5. Indemnity Only	165,897	160,518	159,812	159,464	158,440	1,918,558
6. Aggregate write-ins for other lines of business.....	157,543	167,622	168,050	168,903	169,806	2,021,318
7. Total	1,132,334	1,132,777	1,129,260	1,126,947	1,128,636	13,565,905
DETAILS OF WRITE-INS						
0601. Dental	98,295	99,895	100,305	100,709	101,585	1,204,573
0602. Medicare Part D	47,496	55,465	55,261	55,569	55,522	667,125
0603. Vision	11,752	12,262	12,484	12,625	12,699	149,620
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	157,543	167,622	168,050	168,903	169,806	2,021,318

NOTES TO FINANCIAL STATEMENTS

NOTE 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 #	2023	2022
NET INCOME					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 216,533,140	\$ 82,368,021
(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	\$ 216,533,140	\$ 82,368,021
SURPLUS					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 2,640,534,685	\$ 2,280,781,796
(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	\$ 2,640,534,685	\$ 2,280,781,796

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) Basis for 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 effective interest method. Short-term investments that are NAIC designation 3 through 6 are stated at the lower of amortized cost or fair value.

(2) Basis for Bonds and Amortization Method

Bonds that are NAIC designation 1 or 2 are reported at cost adjusted for amortization of premiums and accretion of discounts using the effective interest 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 Revenues 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 effective interest method.

The Company does not own any mandatory convertible securities or SVO-Identified Investments identified in SSAP No. 26R.

(3) Basis for 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 Revenues and Expenses.

(4) Basis for 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 Revenues and Expenses.

(5) Basis for Mortgage Loans

Not applicable

(6) Basis for Loan-Backed Securities and Adjustment Methodology

Loan-backed securities that are NAIC designation 1 or 2 are reported at cost adjusted for amortization of premiums and accretion of discounts using the effective interest method. For all securities except for interest only securities or securities where the yield had become negative, the amortization of premiums and accretion of discounts on loan-backed securities is adjusted quarterly using current estimated future cash flows, including any new prepayment assumptions, using the retrospective adjustment method. Interest only securities and securities where the yield had become negative are valued using the prospective method. Loan-backed securities are stated at the lower of amortized cost or fair value if they are NAIC designation 3 through 6.

NOTES TO FINANCIAL STATEMENTS

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

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

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 two 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.

(9) Accounting Policies for Derivatives

Not applicable

(10) Anticipated Investment Income Used in 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) 54, Individual and Group Accident and Health Contracts.

(11) Management's Policies and Methodologies for Estimating 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 the Capitalization Policy and Predefined Thresholds from Prior Period

The Company has not modified its capitalization policy from the prior period.

(13) Method Used to Estimate 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.

NOTE 2 Accounting Changes and Corrections of Errors

Not applicable

NOTE 3 Business Combinations and Goodwill

A. Statutory Purchase Method

Effective July 12, 2023, the Company acquired the remaining 50% ownership interest in Wellmark Value Health Plan, Inc. (WVHP), resulting in the Company owning 100% of the outstanding shares of WVHP. WVHP is licensed in the state of Iowa, however as of January 1, 2021, WVHP no longer offered contracts for covered health care services.

The transaction was accounted for as a statutory purchase, and reflects the following:

1	2	3	4	5
Purchased Entity	Acquisition Date	Cost of Acquired Entity	Original Amount of Goodwill	Original Amount of Admitted Goodwill
Wellmark Value Health Plan, Inc.	07/12/2023	\$ 7,004,341	\$ -	\$ -
Total	XXX	\$ 7,004,341	\$ -	\$ -

1	6	7	8	9
Purchased Entity	Admitted Goodwill as of the Reporting Date	Amount of Goodwill Amortized During the Reporting Period	Book Value of SCA	Admitted Goodwill as a % of SCA BACV, Gross of Admitted Goodwill Col. 6/Col. 8
Wellmark Value Health Plan, Inc.	\$ -	\$ -	\$ 7,055,182	0.0%
Total	\$ -	\$ -	\$ 7,055,182	XXX

B. Statutory Merger

Not applicable

NOTES TO FINANCIAL STATEMENTS

C. Assumption Reinsurance

Not applicable

D. Impairment Loss

Not applicable

E. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

Not applicable

NOTE 4 Discontinued Operations

Not applicable

NOTE 5 Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable

B. Debt Restructuring

Not applicable

C. Reverse Mortgages

Not applicable

D. Loan-Backed Securities

(1) Description of Sources Used to Determine 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 mortgage-backed, loan-backed, and structured 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.

(2) Other-Than-Temporary Impairments

There were no loan-backed securities with a current period recognized other-than-temporary impairment (OTTI) classified on the basis for the OTTI as "Intent to sell" or "Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis."

(3) Recognized OTTI Securities

Loan-backed securities with a current period recognized other-than-temporary impairment, currently held by the Company, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities follows as of December 31, 2023:

1 CUSIP	2 Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	3 Present Value of Projected Cash Flows	4 Recognized Other-Than- Temporary Impairment	5 Amortized Cost After Other-Than- Temporary Impairment	6 Fair Value at time of OTTI	7 Date of Financial Statement Where Reported
12464Y-AB-5	\$ 829,994	\$ 760,284	\$ 69,710	\$ 760,284	\$ 633,280	12/01/2023
362334-MF-8	\$ 1,860,574	\$ 1,443,549	\$ 417,025	\$ 1,443,549	\$ 1,355,751	12/31/2023
55027Y-AD-0	\$ 547,838	\$ 475,820	\$ 72,018	\$ 475,820	\$ 425,415	12/31/2023
30247D-AD-3	\$ 598,515	\$ 511,646	\$ 86,869	\$ 511,646	\$ 467,096	12/01/2023
933631-AD-5	\$ 332,403	\$ 265,835	\$ 66,568	\$ 265,835	\$ 250,993	12/01/2023
45661E-AV-6	\$ 422,410	\$ 367,015	\$ 55,395	\$ 367,015	\$ 333,145	12/31/2023
52521R-BP-5	\$ 622,142	\$ 572,086	\$ 50,056	\$ 572,086	\$ 574,600	12/31/2023
32053E-AA-6	\$ 113,212	\$ 60,306	\$ 52,906	\$ 60,306	\$ 60,306	12/01/2023
45661X-AB-8	\$ 1,659,260	\$ 1,531,003	\$ 128,257	\$ 1,531,003	\$ 1,326,761	12/01/2023
52522D-AM-3	\$ 817,894	\$ 713,730	\$ 104,164	\$ 713,730	\$ 615,346	12/01/2023
78445F-AE-5	\$ 780,920	\$ 725,565	\$ 55,355	\$ 725,565	\$ 725,565	12/01/2023
Total	XXX	XXX	\$ 1,158,323	XXX	XXX	XXX

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a) The aggregate amount of unrealized losses:

1. Less than 12 Months	\$ 11,670,088
2. 12 Months or Longer	\$ 20,913,082

b) The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	\$ 131,523,695
2. 12 Months or Longer	\$ 183,281,370

NOTES TO FINANCIAL STATEMENTS

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

The unrealized losses on the Company's investments in loan-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

(1) Company Policies or Strategies for Repo Programs

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

- a. Bilateral (YES/NO)
b. Tri-Party (YES/NO)

	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

(3) Original (Flow) & Residual Maturity

- a. Maximum Amount
1. Open – No Maturity
 2. Overnight
 3. 2 Days to 1 Week
 4. > 1 Week to 1 Month
 5. > 1 Month to 3 Months
 6. > 3 Months to 1 Year
 7. > 1 Year

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
1. Open – No Maturity	\$ 43,813,744	\$ 75,210,030	\$ 55,419,481	\$ 57,309,849
2. Overnight	\$ -	\$ -	\$ -	\$ -
3. 2 Days to 1 Week	\$ -	\$ -	\$ -	\$ -
4. > 1 Week to 1 Month	\$ -	\$ -	\$ -	\$ -
5. > 1 Month to 3 Months	\$ -	\$ -	\$ -	\$ -
6. > 3 Months to 1 Year	\$ -	\$ -	\$ -	\$ -
7. > 1 Year	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Open – No Maturity	\$ 6,622,908	\$ 5,923,892	\$ 5,813,571	\$ 7,589,867
2. Overnight	\$ -	\$ -	\$ -	\$ -
3. 2 Days to 1 Week	\$ -	\$ -	\$ -	\$ -
4. > 1 Week to 1 Month	\$ -	\$ -	\$ -	\$ -
5. > 1 Month to 3 Months	\$ -	\$ -	\$ -	\$ -
6. > 3 Months to 1 Year	\$ -	\$ -	\$ -	\$ -
7. > 1 Year	\$ -	\$ -	\$ -	\$ -

(4) Fair Value Securities Sold and/or Acquired that Resulted in Default

No securities were sold and/or acquired that resulted in default.

(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

- a. Maximum Amount
1. Cash
 2. Securities (FV)
- b. Ending Balance
1. Cash
 2. Securities (FV)

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ 44,691,428	\$ 76,714,877	\$ 56,528,260	\$ 58,456,064
b. Ending Balance				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ 6,755,602	\$ 6,042,587	\$ 5,930,441	\$ 7,743,007

NOTES TO FINANCIAL STATEMENTS

(8) Cash & Non-Cash Collateral Received – Secured Borrowing by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
a. Cash	\$ -	\$ -	\$ -	\$ -
b. Bonds - FV	\$ -	\$ 7,743,007	\$ -	\$ -
c. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
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)	\$ -	\$ 7,743,007	\$ -	\$ -

ENDING BALANCE

	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 DOES NOT QUALIFY AS ADMITTED
a. Cash	\$ -	\$ -	\$ -	\$ -
b. Bonds - FV	\$ -	\$ -	\$ -	\$ -
c. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
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)	\$ -	\$ -	\$ -	\$ -

(9) Allocation of Aggregate Collateral by Remaining Contractual Maturity

- a. Overnight and Continuous
- b. 30 Days or Less
- c. 31 to 90 Days
- d. > 90 Days

FAIR VALUE	
\$	7,743,007
\$	-
\$	-
\$	-

(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.

(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. Low Income Housing Tax Credits (LIHTC)

Not applicable

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	1 Total Gross (Admitted & Non- admitted) Restricted from Current Year	2 Total Gross (Admitted & Non- admitted) Restricted from Prior Year	3 Increase/ (Decrease) (1 minus 2)	4 Total Current Year Non- admitted Restricted	5 Total Current Year Admitted Restricted (1 minus 4)	6 Gross (Admitted & Non- admitted) Restricted to Total Assets (a)	7 Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
b. Collateral held under security lending agreements	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
c. Subject to repurchase agreements	\$ 7,589,867	\$ 25,369,637	\$(17,779,770)	\$ -	\$ 7,589,867	0.181%	0.194%
d. Subject to reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
e. Subject to dollar repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
g. Placed under option contracts	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
i. FHLB capital stock	\$ 2,148,700	\$ 4,227,700	\$ (2,079,000)	\$ -	\$ 2,148,700	0.051%	0.055%
j. On deposit with states	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
k. On deposit with other regulatory bodies	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
m. Pledged as collateral not captured in other categories	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
n. Other restricted assets	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%
o. Total Restricted Assets (Sum of a through n)	\$ 9,738,567	\$ 29,597,337	\$(19,858,770)	\$ -	\$ 9,738,567	0.233%	0.249%

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

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

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

Not applicable

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

Not applicable

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

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

General Account

1. Number of CUSIPs

3

2. Aggregate Amount of Investment Income

\$ 146,530

R. Reporting Entity's Share of Cash Pool by Asset Type

Not applicable

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies

A. Investments in Joint Ventures, Partnerships and Limited Liability Companies that Exceed 10% of Ownership

As of December 31, 2023, the Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

NOTES TO FINANCIAL STATEMENTS

B. Investments in Impaired 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 2023 or 2022.

NOTE 7 Investment Income

A. The basis, by category of investment income, for excluding (nonadmitting) any investment income due and accrued.

There was no amount of Investment Income due and accrued that was nonadmitted as of December 31, 2023.

B. The total amount excluded.

Not applicable

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

Interest Income Due and Accrued	Amount
1. Gross	\$ 9,277,577
2. Nonadmitted	\$ -
3. Admitted	\$ 9,277,577

D. The aggregate deferred interest.

Not applicable

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

Not applicable

NOTE 8 Derivative Instruments

Not applicable

NOTE 9 Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2023			2022			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$ 80,036,000	\$ 28,432,000	\$ 108,468,000	\$ 67,541,000	\$ 20,701,000	\$ 88,242,000	\$ 12,495,000	\$ 7,731,000	\$ 20,226,000
(b) Statutory Valuation Allowance Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 80,036,000	\$ 28,432,000	\$ 108,468,000	\$ 67,541,000	\$ 20,701,000	\$ 88,242,000	\$ 12,495,000	\$ 7,731,000	\$ 20,226,000
(d) Deferred Tax Assets Nonadmitted	\$ 11,689,000	\$ -	\$ 11,689,000	\$ 11,108,000	\$ -	\$ 11,108,000	\$ 581,000	\$ -	\$ 581,000
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 68,347,000	\$ 28,432,000	\$ 96,779,000	\$ 56,433,000	\$ 20,701,000	\$ 77,134,000	\$ 11,914,000	\$ 7,731,000	\$ 19,645,000
(f) Deferred Tax Liabilities	\$ 444,000	\$ 40,405,000	\$ 40,849,000	\$ 366,000	\$ 23,616,000	\$ 23,982,000	\$ 78,000	\$ 16,789,000	\$ 16,867,000
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 67,903,000	\$ (11,973,000)	\$ 55,930,000	\$ 56,067,000	\$ (2,915,000)	\$ 53,152,000	\$ 11,836,000	\$ (9,058,000)	\$ 2,778,000

2. Admission Calculation Components SSAP No. 101

	2023			2022			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 42,135,000	\$ 5,996,000	\$ 48,131,000	\$ 38,521,000	\$ 8,227,000	\$ 46,748,000	\$ 3,614,000	\$ (2,231,000)	\$ 1,383,000
(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 (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 7,799,000	\$ -	\$ 7,799,000	\$ 6,404,000	\$ -	\$ 6,404,000	\$ 1,395,000	\$ -	\$ 1,395,000
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 7,799,000	\$ -	\$ 7,799,000	\$ 6,404,000	\$ -	\$ 6,404,000	\$ 1,395,000	\$ -	\$ 1,395,000
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	\$ 387,589,000	xxx	xxx	\$ 333,126,000	xxx	xxx	\$ 54,463,000
(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	\$ 18,413,000	\$ 22,436,000	\$ 40,849,000	\$ 11,508,000	\$ 12,474,000	\$ 23,982,000	\$ 6,905,000	\$ 9,962,000	\$ 16,867,000
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 68,347,000	\$ 28,432,000	\$ 96,779,000	\$ 56,433,000	\$ 20,701,000	\$ 77,134,000	\$ 11,914,000	\$ 7,731,000	\$ 19,645,000

3. Other Admissibility Criteria

	2023	2022
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	1118.230%	1041.892%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 2,594,436,255	\$ 2,227,629,796

NOTES TO FINANCIAL STATEMENTS

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.

	2023		2022		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col. 1 - 3) Ordinary	(6) (Col. 2 - 4) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1 (c)	\$ 80,036,000	\$ 28,432,000	\$ 67,541,000	\$ 20,701,000	\$ 12,495,000	\$ 7,731,000
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 68,347,000	\$ 28,432,000	\$ 56,433,000	\$ 20,701,000	\$ 11,914,000	\$ 7,731,000
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

b. Does the Company's tax-planning strategies include the use of reinsurance?

Yes No

B. Deferred Tax Liabilities Are Not Recognized For the Following Amounts:

None

C. Current and Deferred Income Taxes

	(1)	(2)	(3)
	2023	2022	(Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 66,836,000	\$ 23,410,000	\$ 43,426,000
(b) Foreign	\$ -	\$ -	\$ -
(c) Subtotal (1a+1b)	\$ 66,836,000	\$ 23,410,000	\$ 43,426,000
(d) Federal income tax on net capital gains	\$ 128,000	\$ (4,127,000)	\$ 4,255,000
(e) Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
(f) Other	\$ -	\$ -	\$ -
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 66,964,000	\$ 19,283,000	\$ 47,681,000
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 2,073,000	\$ 1,147,000	\$ 926,000
(2) Unearned premium reserve	\$ -	\$ -	\$ -
(3) Policyholder reserves	\$ -	\$ -	\$ -
(4) Investments	\$ -	\$ -	\$ -
(5) Deferred acquisition costs	\$ -	\$ -	\$ -
(6) Policyholder dividends accrual	\$ -	\$ -	\$ -
(7) Fixed assets	\$ 2,572,000	\$ 1,757,000	\$ 815,000
(8) Compensation and benefits accrual	\$ 17,213,000	\$ 14,101,000	\$ 3,112,000
(9) Pension accrual	\$ -	\$ -	\$ -
(10) Receivables - nonadmitted	\$ 17,290,000	\$ 19,060,000	\$ (1,770,000)
(11) Net operating loss carry-forward	\$ -	\$ -	\$ -
(12) Tax credit carry-forward	\$ -	\$ -	\$ -
(13) Other	\$ 40,888,000	\$ 31,476,000	\$ 9,412,000
(99) Subtotal (sum of 2a1 through 2a13)	\$ 80,036,000	\$ 67,541,000	\$ 12,495,000
(b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c) Nonadmitted	\$ 11,689,000	\$ 11,108,000	\$ 581,000
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 68,347,000	\$ 56,433,000	\$ 11,914,000
(e) Capital:			
(1) Investments	\$ 22,478,000	\$ 13,285,000	\$ 9,193,000
(2) Net capital loss carry-forward	\$ -	\$ -	\$ -
(3) Real estate	\$ 5,954,000	\$ 7,416,000	\$ (1,462,000)
(4) Other	\$ -	\$ -	\$ -
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ 28,432,000	\$ 20,701,000	\$ 7,731,000
(f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g) Nonadmitted	\$ -	\$ -	\$ -
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 28,432,000	\$ 20,701,000	\$ 7,731,000
(i) Admitted deferred tax assets (2d + 2h)	\$ 96,779,000	\$ 77,134,000	\$ 19,645,000
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ 444,000	\$ 366,000	\$ 78,000
(2) Fixed assets	\$ -	\$ -	\$ -
(3) Deferred and uncollected premium	\$ -	\$ -	\$ -
(4) Policyholder reserves	\$ -	\$ -	\$ -
(5) Other	\$ -	\$ -	\$ -
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 444,000	\$ 366,000	\$ 78,000
(b) Capital:			
(1) Investments	\$ 40,405,000	\$ 23,616,000	\$ 16,789,000
(2) Real estate	\$ -	\$ -	\$ -
(3) Other	\$ -	\$ -	\$ -
(99) Subtotal (3b1+3b2+3b3)	\$ 40,405,000	\$ 23,616,000	\$ 16,789,000
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 40,849,000	\$ 23,982,000	\$ 16,867,000
4. Net Deferred Tax Assets/Liabilities (2i - 3c)	\$ 55,930,000	\$ 53,152,000	\$ 2,778,000

NOTES TO FINANCIAL STATEMENTS

5. The change in net 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 unassigned surplus):

	2023			2022			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
Total deferred tax assets	\$ 80,036,000	\$ 28,432,000	\$ 108,468,000	\$ 67,541,000	\$ 20,701,000	\$ 88,242,000	\$ 12,495,000	\$ 7,731,000	\$ 20,226,000
Total deferred tax liabilities	\$ (444,000)	\$ (40,405,000)	\$ (40,849,000)	\$ (366,000)	\$ (23,616,000)	\$ (23,982,000)	\$ (78,000)	\$ (16,789,000)	\$ (16,867,000)
Net deferred tax asset (liability)	\$ 79,592,000	\$ (11,973,000)	\$ 67,619,000	\$ 67,175,000	\$ (2,915,000)	\$ 64,260,000	\$ 12,417,000	\$ (9,058,000)	\$ 3,359,000
Tax effect of unrealized gains									\$ 16,789,000
Tax effect of SSAP 92/SSAP 102									\$ 4,686,000
Change in net deferred income tax									\$ 24,834,000

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Among the more significant book to tax adjustments were the following:

	12/31/2023
Provision computed at statutory rate	\$ 59,534,000
Change in nonadmitted assets	\$ (255,000)
Tax exempt interest deduction	\$ (230,000)
100% dividend received from affiliate	\$ (18,688,000)
Dividends received deduction, net	\$ (577,000)
Nondeductible lobbying expenses	\$ 71,000
§162(m)(6) limitation	\$ 2,167,000
Other permanent differences	\$ 486,000
Credits generated in current year	\$ (1,303,000)
Adjustment of prior year's tax	\$ 925,000
Total	\$ 42,130,000
Federal and foreign income taxes incurred	\$ 66,836,000
Realized capital gains (losses) tax	\$ 128,000
Change in net deferred income taxes	\$ (24,834,000)
Total statutory income taxes	\$ 42,130,000

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

- At December 31, 2023, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.
- The following are income taxes in the current and prior years that will be available for recoupment in the event of future net losses:

Year	Amounts
2023	\$ 59,905,000
2022	\$ 31,621,000
2021	\$ 8,541,000
Total	\$ 100,067,000

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

F. Consolidated Federal Income Tax Return

- 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, Inc.
Midwest Benefit Consultants, Inc.
Wellmark Holdings, Inc.

- The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:

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.

At December 31, 2023, the Company's tax related balance due from subsidiaries was \$27,611,260.

G. Federal and Foreign Income Tax Loss Contingencies

At December 31, 2023, 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

The Inflation Reduction Act was enacted on August 16, 2022, and included a new corporate alternative minimum tax (CAMT). The CAMT is effective for tax years beginning after December 31, 2022. The Company is not an "applicable corporation" for purposes of the CAMT and therefore does not expect to be liable for CAMT in 2023.

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

A. Nature of the Relationship Involved

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 2023 and 2022, these costs were \$133,481,763 and \$115,907,857, respectively. The Company and WHPI also have an intercompany tax sharing arrangement (See Note 9). For 2023 and 2022, the tax related balance due from WHPI under this tax sharing arrangement was \$23,728,990 and \$23,539,592, respectively.

NOTES TO FINANCIAL STATEMENTS

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 2023 and 2022, these costs were \$82,552,782 and \$87,672,199, respectively. The Company and WSD also have an intercompany tax sharing arrangement (See Note 9). For 2023 and 2022, the tax related balance due from WSD under this tax sharing arrangement was \$3,684,952 and \$3,212,247, respectively.

The Company received dividends of \$89,500,000 and \$43,500,000 from WHPI in 2023 and 2022, respectively. The dividends reduced the inter-company payable to WHPI and were recorded in net investment income.

The Company received a cash dividend of \$1,200,000 from WSH in 2022. The dividend was recorded in net investment income.

In February 2021, the Company entered into a joint venture agreement to establish a newly formed entity, Wellmark Advantage Holdings, LLC. The Company holds a 49% ownership interest in this joint venture. 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 \$40,180,000 and \$9,794,610 to WAHP in 2023 and 2022, respectively.

B. Description of Transactions

See Note 10 A

C. Transactions with Related Parties Who Are Not Reported on Schedule Y

None

D. Amounts Due From or To Related Parties

At December 31, 2023, the Company reported \$114,722,610 as amounts due to subsidiaries and affiliates and \$12,310,568 as admitted amounts due from subsidiaries and affiliates. At December 31, 2022, the Company reported \$125,299,310 as amounts due to subsidiaries and affiliates and \$41,644,649 as admitted amounts due from subsidiaries and affiliates. The terms of the agreements require these amounts to be settled within 30 days.

E. Material Management or Service Contracts and Cost-Sharing Arrangements

The Company has an intercorporate services and investment and management agreement with some of its subsidiaries and affiliates to provide certain management and administrative services.

F. Guarantees or Undertakings

See Note 14

G. Nature of the Control Relationship

Not applicable

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

Not applicable

I. Investments in SCA that Exceed 10% of Admitted Assets

The Company had no investments in SCA entities that exceeded 10% of the Company's admitted assets in 2023 or 2022.

J. Investments in Impaired SCAs

Not applicable

K. Investment in Foreign Insurance Subsidiary

Not applicable

L. Investment in Downstream Noninsurance Holding Company

The Company utilizes the look-through approach in valuing its investment in Wellmark Advantage Holdings, LLC (WAH) at \$15,359,341 and \$4,828,746 as of December 31, 2023 and 2022, 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 8bi 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, Inc.	100.0%	\$ -	\$ -	\$ -
First Administrators, Inc.	100.0%	\$ 3,547,237	\$ -	\$ 3,547,237
Midwest Benefit Consultants, Inc.	100.0%	\$ 5,884,563	\$ -	\$ 5,884,563
Total SSAP No. 97 8b(iii) Entities	XXX	\$ 9,431,800	\$ -	\$ 9,431,800
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities	XXX	\$ -	\$ -	\$ -
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	XXX	\$ 9,431,800	\$ -	\$ 9,431,800
f. Aggregate Total (a+ e)	XXX	\$ 9,431,800	\$ -	\$ 9,431,800

NOTES TO FINANCIAL STATEMENTS

(2) NAIC Filing Response Information

SCA Entity (Should be same entities as shown in M(1) above.)	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, Inc.	S1	10/25/2016	\$ -	Yes	No	
First Administrators, Inc.	S1	10/25/2016	\$ -	Yes	No	
Midwest Benefit Consultants, Inc.	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 8bi 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 or SSAP 48 Entity Loss Tracking

1 Entity	2 Reporting Entity's Share of Net Income (Loss)	3 Accumulated Share of Net Income (Losses)	4 Reporting Entity's Share of Equity, Including Negative Equity	5 Guaranteed Obligation / Commitment for Financial Support (Yes/No)	6 Amount of the Recognized Guarantee Under SSAP No. 5R
Wellmark Holdings, Inc.	\$ (445,356)	\$ (2,159,377)	\$ (2,102,344)	No	\$ -

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

NOTE 11 Debt

A. Debt Including Capital Notes

Not applicable

B. FHLB (Federal Home Loan Bank) Agreements

(1) Nature of the Agreement

The Company became a member of the Federal Home Loan Bank (FHLB) of Des Moines during 2020. The Company has determined the estimated current maximum borrowing capacity as approximately \$68,000,000. 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 has no outstanding advances with FHLB Des Moines.

(2) FHLB Capital Stock

a. Aggregate Totals

	Total
1. Current Year	
(a) Membership Stock - Class A	\$ -
(b) Membership Stock - Class B	\$ 2,148,700
(c) Activity Stock	\$ -
(d) Excess Stock	\$ -
(e) Aggregate Total (a+b+c+d)	\$ 2,148,700
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	\$ 68,000,000
2. Prior Year-end	
(a) Membership Stock - Class A	\$ -
(b) Membership Stock - Class B	\$ 4,227,700
(c) Activity Stock	\$ -
(d) Excess Stock	\$ -
(e) Aggregate Total (a+b+c+d)	\$ 4,227,700
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	\$ 115,000,000

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)
 11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

NOTES TO FINANCIAL STATEMENTS

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

	1	2	Eligible for Redemption			
			3	4	5	6
	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
Membership Stock						
1. Class A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Class B	\$ 2,148,700	\$ 2,148,700	\$ -	\$ -	\$ -	\$ -

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)

11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)

(3) Collateral Pledged to FHLB

No amounts were pledged during the reporting period and no amounts were pledged as of December 31, 2023.

(4) Borrowing from FHLB

No amounts were borrowed during the reporting period and no amounts were outstanding as of December 31, 2023.

NOTE 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 plan in 2023 or 2022. There are no current plans for the Company to make voluntary contributions to the pension plan in 2024.

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 based on the employee's annual salary at retirement and 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, 2023 and 2022:

(1) Change in Benefit Obligation

	Overfunded		Underfunded	
	2023	2022	2023	2022
a. Pension Benefits				
1. Benefit obligation at beginning of year	\$ 274,754,991	\$ 337,274,566	\$ -	\$ -
2. Service cost	\$ 8,728,306	\$ 10,935,546	\$ -	\$ -
3. Interest cost	\$ 14,003,395	\$ 9,668,372	\$ -	\$ -
4. Contribution by plan participants	\$ -	\$ -	\$ -	\$ -
5. Actuarial gain (loss)	\$ (7,436,656)	\$ (57,043,864)	\$ -	\$ -
6. Foreign currency exchange rate changes	\$ -	\$ -	\$ -	\$ -
7. Benefits paid	\$ (18,647,087)	\$ (3,208,184)	\$ -	\$ -
8. Plan amendments	\$ -	\$ -	\$ -	\$ -
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	\$ -	\$ (22,871,445)	\$ -	\$ -
10. Benefit obligation at end of year	\$ 271,402,949	\$ 274,754,991	\$ -	\$ -
b. Postretirement Benefits				
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ 27,718,747	\$ 38,931,902
2. Service cost	\$ -	\$ -	\$ 42,051	\$ 1,746,000
3. Interest cost	\$ -	\$ -	\$ 1,392,235	\$ 1,063,000
4. Contribution by plan participants	\$ -	\$ -	\$ -	\$ -
5. Actuarial gain (loss)	\$ -	\$ -	\$ (123,366)	\$ (12,674,305)
6. Foreign currency exchange rate changes	\$ -	\$ -	\$ -	\$ -
7. Benefits paid	\$ -	\$ -	\$ (1,396,014)	\$ (1,347,850)
8. Plan amendments	\$ -	\$ -	\$ -	\$ -
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	\$ -	\$ -	\$ -	\$ -
10. Benefit obligation at end of year	\$ -	\$ -	\$ 27,633,653	\$ 27,718,747

NOTES TO FINANCIAL STATEMENTS

	Overfunded		Underfunded	
	2023	2022	2023	2022
c. Special or Contractual Benefits Per SSAP No. 11				
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ 12,333,481	\$ 13,583,888
2. Service cost	\$ -	\$ -	\$ 25,747,843	\$ 22,909,672
3. Interest cost	\$ -	\$ -	\$ -	\$ -
4. Contribution by plan participants	\$ -	\$ -	\$ -	\$ -
5. Actuarial gain (loss)	\$ -	\$ -	\$ -	\$ -
6. Foreign currency exchange rate changes	\$ -	\$ -	\$ -	\$ -
7. Benefits paid	\$ -	\$ -	\$ (25,399,418)	\$ (24,160,079)
8. Plan amendments	\$ -	\$ -	\$ -	\$ -
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	\$ -	\$ -	\$ -	\$ -
10. Benefit obligation at end of year	\$ -	\$ -	\$ 12,681,906	\$ 12,333,481

(2) Change in Plan Assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2023	2022	2023	2022	2023	2022
a. Fair value of plan assets at beginning of year	\$ 287,220,882	\$ 376,443,894	\$ -	\$ -	\$ -	\$ -
b. Actual return on plan assets	\$ 27,592,911	\$ (63,143,383)	\$ -	\$ -	\$ -	\$ -
c. Foreign currency exchange rate changes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d. Reporting entity contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
e. Plan participants' contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Benefits paid	\$ (18,647,087)	\$ (3,208,184)	\$ -	\$ -	\$ -	\$ -
g. Business combinations, divestitures and settlements	\$ -	\$ (22,871,445)	\$ -	\$ -	\$ -	\$ -
h. Fair value of plan assets at end of year	\$ 296,166,706	\$ 287,220,882	\$ -	\$ -	\$ -	\$ -

(3) Funded Status

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Components:				
1. Prepaid benefit costs	\$ 78,204,976	\$ 89,400,430	\$ -	\$ -
2. Overfunded plan assets	\$ (53,441,219)	\$ (76,934,539)	\$ -	\$ -
3. Accrued benefit costs	\$ -	\$ -	\$ 40,328,793	\$ 41,590,242
4. Liability for pension benefits	\$ -	\$ -	\$ (12,695,140)	\$ (13,871,495)
b. Assets and liabilities recognized:				
1. Assets (nonadmitted)	\$ 24,763,757	\$ 12,465,891	\$ -	\$ -
2. Liabilities recognized	\$ -	\$ -	\$ 27,633,653	\$ 27,718,747
c. Unrecognized liabilities	\$ -	\$ -	\$ -	\$ -

(4) Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2023	2022	2023	2022	2023	2022
a. Service cost	\$ 8,728,306	\$ 10,935,546	\$ 42,051	\$ 1,746,000	\$ 25,747,843	\$ 22,909,672
b. Interest cost	\$ 14,003,395	\$ 9,668,372	\$ 1,392,235	\$ 1,063,000	\$ -	\$ -
c. Expected return on plan assets	\$ (16,709,257)	\$ (21,686,904)	\$ -	\$ -	\$ -	\$ -
d. Transition asset or obligation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
e. Gains and losses	\$ 5,173,010	\$ 2,680,214	\$ (1,299,721)	\$ -	\$ -	\$ -
f. Prior service cost or credit	\$ -	\$ -	\$ -	\$ 65,273	\$ -	\$ -
g. Gain or loss recognized due to a settlement or curtailment	\$ -	\$ 6,400,100	\$ -	\$ -	\$ -	\$ -
h. Total net periodic benefit cost	\$ 11,195,454	\$ 7,997,328	\$ 134,565	\$ 2,874,273	\$ 25,747,843	\$ 22,909,672

(5) Amounts in Unassigned Funds (Surplus) Recognized as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Items not yet recognized as a component of net periodic cost - prior year	\$ 76,934,539	\$ 58,228,430	\$ (13,871,495)	\$ (1,131,917)
b. Net transition asset or obligation recognized	\$ -	\$ -	\$ -	\$ -
c. Net prior service cost or credit arising during the period	\$ -	\$ -	\$ -	\$ -
d. Net prior service cost or credit recognized	\$ -	\$ -	\$ -	\$ (65,273)
e. Net gain and loss arising during the period	\$ (18,320,310)	\$ 27,786,423	\$ (123,366)	\$ (12,674,305)
f. Net gain and loss recognized	\$ (5,173,010)	\$ (9,080,314)	\$ 1,299,721	\$ -
g. Items not yet recognized as a component of net periodic cost - current year	\$ 53,441,219	\$ 76,934,539	\$ (12,695,140)	\$ (13,871,495)

(6) Amounts in Unassigned Funds (Surplus) That Have Not Yet Been Recognized as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Net transition asset or obligation	\$ -	\$ -	\$ -	\$ -
b. Net prior service cost or credit	\$ -	\$ -	\$ -	\$ -
c. Net recognized gains and losses	\$ 53,441,219	\$ 76,934,539	\$ (12,695,140)	\$ (13,871,495)

NOTES TO FINANCIAL STATEMENTS

(7) Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost as of December 31:

	Pension Benefits	
	2023	2022
a. Weighted average discount rate	5.30%	3.00%
b. Expected long-term rate of return on plan assets	6.50%	6.00%
c. Rate of compensation increase	3.00 - 8.00%	3.50 - 8.00%
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	3.50%	2.00 - 3.00%

Weighted-Average Assumptions Used to Determine Projected Benefit Obligations as of December 31:

	Pension Benefits	
	2023	2022
e. Weighted average discount rate	5.00%	5.30%
f. Rate of compensation increase	3.00 - 8.00%	3.00 - 8.00%
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	4.00%	3.50%

Weighted-Average Assumptions Used to Determine Net Periodic Benefit Costs as of December 31:

	Postretirement Benefits	
	2023	2022
a. Weighted average discount rate	5.20%	2.80%
b. Expected long-term rate of return on plan assets	N/A	N/A
c. Rate of compensation increase	3.00 - 8.00%	3.50 - 8.00%
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	N/A	N/A

Weighted-Average Assumptions Used to Determine Projected Benefit Obligations as of December 31:

	Postretirement Benefits	
	2023	2022
e. Weighted average discount rate	5.00%	5.20%
f. Rate of compensation increase	3.00 - 8.00%	3.00 - 8.00%
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	N/A	N/A

(8) Accumulated Benefit Obligation for Defined Benefit Pension Plans

The amount of the accumulated benefit obligation for the defined benefit pension plan was \$248,992,369 for the current year and \$253,151,073 for the prior year.

(9) Assumed Health Care Cost Trend Rate(s) For Postretirement Benefits Other than Pensions

For postretirement benefits other than pensions, for measurement purposes, 7.5% (pre-65) and 6.5% (post-65) annual rates of increase in the per capita cost of covered health care benefits were assumed for 2023. These rates grade down annually to 4.5% for 2033 and beyond.

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

Pension Benefits	Amount
a. 2024	\$ 19,740,000
b. 2025	\$ 20,040,000
c. 2026	\$ 20,720,000
d. 2027	\$ 21,120,000
e. 2028	\$ 20,750,000
f. 2029 through 2033	\$ 109,120,000
Postretirement Benefits	Amount
a. 2024	\$ 2,630,000
b. 2025	\$ 2,230,000
c. 2026	\$ 2,130,000
d. 2027	\$ 2,210,000
e. 2028	\$ 2,280,000
f. 2029 through 2033	\$ 10,600,000

(11) Estimate of Contributions Expected to be Paid to the Plan

The Company does not have any regulatory contribution requirements for 2024. In addition, there are no current plans for the Company to make voluntary contributions to the defined benefit pension plan in 2024.

(12) Amounts and Types of Securities Included in Plan Assets

Not applicable

(13) Alternative Method Used to Amortize Prior Service Amounts or Net Gains and Losses

Not applicable

(14) Substantive Comment Used to Account for Benefit Obligation

Not applicable

(15) Cost of Providing Special or Contractual Termination Benefits Recognized

Not applicable

(16) Reasons for Significant Gains/Losses Related to Changes in Defined Benefit Obligation and any Other Significant Change in the Benefit Obligations or Plan Assets Not Otherwise Apparent

During the year ended December 31, 2023, the pension benefit obligation generated a loss due to a decrease in the discount rate, a gain due to a favorable asset return, an active participant experience loss due to higher than expected compensation during 2022, and an overall gain due to cash balance interest crediting rate and lump sum conversion assumption changes. During the year ended December 31, 2023, the other postretirement benefit obligation experienced a loss due to a decrease in the discount rate.

NOTES TO FINANCIAL STATEMENTS

(17) Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans

The pension plan was in an overfunded status at December 31, 2023 and 2022. 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 (\$12,695,140) and (\$13,871,495) at December 31, 2023 and 2022, respectively.

(18) Full Transition Surplus Impact of SSAP 102

Not applicable

B. Investment Policies and Strategies

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.
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 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: Money Market Mutual Funds	\$ 646,908	\$ -	\$ -	\$ 646,908
Common/Collective Trusts: Equity Accounts	\$ -	\$ 20,833,697	\$ -	\$ 20,833,697
Pooled Separate Accounts: Fixed Income Account	\$ -	\$ 172,144,653	\$ -	\$ 172,144,653
Mutual Funds: Equity Funds	\$ 12,430,508	\$ -	\$ -	\$ 12,430,508
Mutual Funds: Fixed Funds	\$ 9,489,288	\$ -	\$ -	\$ 9,489,288
Total Plan Assets	\$ 22,566,704	\$ 192,978,350	\$ -	\$ 215,545,054

Pension plan assets also include \$4,915,620 of hedge funds where fair value is measured at net asset value (NAV) per share as a practical expedient and \$75,706,032 of limited partnerships which are accounted for under the equity method.

(2) Valuation Technique(s) and Inputs Used to Measure Fair Value

Generally, Level 1 financial instruments consist of money market funds and 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 and pooled separate accounts 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 hedge funds are estimated using NAV as a practical expedient. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. The Trust's limited partnership investments are initially recorded at cost. The carrying amounts are then increased or decreased to reflect the Trust's share of the income or loss. Quoted market prices do not exist for the limited partnerships. It is not practicable to estimate the fair value of the Trust's limited partnership investments due to the private and, in certain instances, confidential nature of the underlying investments in the partnerships, the specialized knowledge of specific industries and transactions required, and the time lag with which information is available from the limited partnerships. The underlying net assets within each limited partnership are measured at fair value; therefore, the equity method value is considered a reasonable proxy for fair value.

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. Basis Used to Determine Expected Long-Term Rate-of-Return

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% fixed income, 20% private equity, 17% publicly-traded equity securities, 3% hedge funds, 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 2023. This rate is net of both investment and other administrative expenses charged to the Trust.

E. Defined Contribution Plan

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.

Recordkeeping responsibilities for the plan are performed by Principal. The Company's contribution for this plan was \$4,507,372 and \$4,334,355 for 2023 and 2022, respectively.

NOTES TO FINANCIAL STATEMENTS

F. Multiemployer Plans

Not applicable

G. Consolidated/Holding Company Plans

The Company is the plan sponsor of a pension program and a postretirement health and life benefit program which cover substantially all employees of the consolidated group.

H. Postemployment Benefits and Compensated Absences

Not applicable

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

The Company plans to return any subsidy received to retirees in the form of higher postretirement welfare benefits. Therefore, the effects of the subsidy are not reflected in the measurement of the accumulated postretirement benefit obligation or the net periodic benefit cost.

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

A. Number of Shares and Par or Stated Value of Each Class

Not applicable

B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

Not applicable

C. Dividend Restrictions

Not applicable

D. Dates and Amounts of Dividends Paid

Not applicable

E. Profits that may be Paid as Ordinary Dividends to Stockholders

Not applicable

F. Restrictions Placed on Unassigned Funds (Surplus)

Not applicable

G. Amount of Advances to Surplus not Repaid

Not applicable

H. Amount of Stock Held for Special Purposes

Not applicable

I. Reasons for Changes in Balance of Special Surplus Funds from Prior Period

Not applicable

J. The Portion of Unassigned Funds (Surplus) Represented or Reduced by Cumulative Unrealized Gains and Losses is \$ 793,429,223

K. The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

Not applicable

L. The Impact of any Restatement Due to Prior Quasi-Reorganizations

Not applicable

M. Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization

Not applicable

NOTE 14 Liabilities, Contingencies and Assessments

A. Contingent Commitments

(1) 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.

NOTES TO FINANCIAL STATEMENTS

(2) Detail of Other Contingent Commitments

Not applicable

(3) Guarantee Obligations

Not applicable

B. Assessments

(1) Assessments Where Amount is Known or Unknown

The Company is subject to health related assessments by the Iowa Comprehensive Health Association and the Iowa Individual Health Benefit Reinsurance Association for high risk insurance pools. The Company accrued a net admitted receivable of \$1,080,000 and a liability of \$9,190,000 for estimated health related assessments as of December 31, 2023.

(2) Assessments

Not applicable

(3) Guaranty Fund Liabilities and Assets Related to Assessments from Insolvencies for Long-Term Care Contracts

Not applicable

C. Gain Contingencies

Not applicable

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming From Lawsuits

Not applicable

E. Joint and Several Liabilities

Not applicable

F. All Other Contingencies

The Company, along with the BCBSA and Blue Cross and/or Blue Shield licensees, or Blue Plans across the country, is a defendant in a single multi-district consolidated lawsuit In re Blue Cross Blue Shield Antitrust Litigation that is pending in the United States District Court for the Northern District of Alabama. Generally, the litigation alleges 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 has been preliminarily approved by the United States District Court for the Northern District of Alabama, though is still subject to ongoing appeals. The court currently is supervising the final class settlement approval process. There have been several additional individual lawsuits filed by groups and members who opted out of the subscriber class. The Company has made adequate provision for its proportional share of the settlement and any damages that may result from the opt-out suits. The provider class litigation is proceeding.

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.

NOTE 15 Leases

A. Lessee Operating Lease

(1) Lessee's Leasing Arrangements

a. Rental Expense

The Company leases office space and equipment under various noncancelable operating lease agreements that expire through September 2033. Rental expense associated with these lease arrangements was approximately \$1,332,881 and \$1,180,638 for 2023 and 2022, respectively.

b. Basis on Which Contingent Rental Payments are Determined

Not applicable

c. Existence and Terms of Renewal or Purchase Options and Escalation Clauses

Certain rental commitments have renewal options extending through the year 2035. Some of these renewals are subject to adjustments in future periods.

d. Restrictions Imposed by Lease Agreements

Not applicable

e. Identification of Lease Agreements That Have Been Terminated Early

Not applicable

NOTES TO FINANCIAL STATEMENTS

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

a. At December 31, 2023, the minimum aggregate rental commitments are as follows:

	Operating Leases
1. 2024	\$ 949,843
2. 2025	\$ 875,998
3. 2026	\$ 436,541
4. 2027	\$ 398,331
5. 2028	\$ 344,837
6. Thereafter	\$ 1,294,726
7. Total (sum of 1 through 6)	\$ 4,300,276

b. Total of Minimum Rentals to be Received in the Future Under Noncancelable Subleases

Not applicable

(3) For Sale-Leaseback Transactions

Not applicable

B. Lessor Leases

Not applicable

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

Not applicable

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

Not applicable

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

A. ASO Plans

Not applicable

B. ASC Plans

The gain (loss) from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2023:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 1,768,990,293	\$ 1,623,791,793	\$ 3,392,782,086
b. Gross administrative fees accrued	\$ 50,763,817	\$ 98,148,344	\$ 148,912,161
c. Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d. Gross expenses incurred (claims and administrative) (a+b+c)	\$ 1,819,754,110	\$ 1,721,940,137	\$ 3,541,694,247
e. Total net gain or loss from operations	\$ (6,819,497)	\$ (16,041,059)	\$ (22,860,556)

C. Medicare or 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, 2023 were \$46,856,082. This amount represents pharmacy benefit cost reimbursements for the Reinsurance Subsidy and Low-Income Cost Sharing Subsidy elements of the Medicare Part D program.

At December 31, 2023, the Company has a receivable of \$2,411,107 from CMS for these reimbursements and has recorded a payable of \$12,127,956 for pre-funded amounts received from CMS not applied to benefit payments.

During the year, the Company returned a net amount of \$14,796,250 for prior year pre-funded amounts from CMS not applied to benefit payments.

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

Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 20 Fair Value Measurements

A. Fair Value Measurements

(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					
Cash Equivalents: Exempt Money Market Mutual Funds	\$ 207,453,112	\$ -	\$ -	\$ -	\$ 207,453,112
Cash Equivalents: Other Money Market Mutual Funds	\$ 715,662	\$ -	\$ -	\$ -	\$ 715,662
Cash Equivalents: Sweep Account	\$ -	\$ 7,589,867	\$ -	\$ -	\$ 7,589,867
Bonds: Industrial & Miscellaneous	\$ -	\$ 54,315,317	\$ -	\$ -	\$ 54,315,317
Bonds: Bank Loans	\$ -	\$ 3,434,086	\$ -	\$ -	\$ 3,434,086
Preferred Stock: Industrial & Miscellaneous	\$ 1,721,443	\$ -	\$ -	\$ -	\$ 1,721,443
Common Stock: Industrial & Miscellaneous	\$ 562,641,809	\$ 2,148,700	\$ 2,787,112	\$ -	\$ 567,577,621
Common Stock: Mutual Funds	\$ 209,528,175	\$ -	\$ -	\$ -	\$ 209,528,175
Other Invested Assets: Residual Tranches	\$ -	\$ 769,010	\$ -	\$ -	\$ 769,010
Total Assets at Fair Value/NAV	\$ 982,060,201	\$ 68,256,980	\$ 2,787,112	\$ -	\$ 1,053,104,293

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

Description	Beginning Balance at 01/01/2023	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 12/31/2023
a. Assets										
Common Stock - Industrial & Miscellaneous	\$ 2,702,704	\$ -	\$ -	\$ -	\$ 84,408	\$ -	\$ -	\$ -	\$ -	\$ 2,787,112
Total Assets	\$ 2,702,704	\$ -	\$ -	\$ -	\$ 84,408	\$ -	\$ -	\$ -	\$ -	\$ 2,787,112

(3) Policies When Transfers Between Levels Are Recognized

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

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

Bonds, structured securities, and surplus notes (other invested assets) 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.

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.

The Level 3 financial instrument is a privately held stock whose fair value is determined based on the unaudited GAAP equity per outstanding common share on a quarterly basis and on the audited GAAP equity per outstanding common share at calendar year end.

(5) Fair Value Disclosures for Derivative Assets and Liabilities

Not applicable

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

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. Aggregate Fair Value For All Financial Instruments and the Level Within the Fair Value Hierarchy in Which the Fair Value Measurements in Their Entirety Fall

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Cash Equivalents	\$ 215,758,641	\$ 215,758,641	\$ 208,168,774	\$ 7,589,867	\$ -	\$ -	\$ -
Short-Term Investments	\$ 9,317,548	\$ 9,313,497	\$ -	\$ 9,317,548	\$ -	\$ -	\$ -
Bonds	\$ 1,014,945,951	\$ 1,046,468,772	\$ -	\$ 1,014,945,951	\$ -	\$ -	\$ -
Preferred Stock	\$ 1,721,443	\$ 1,721,443	\$ 1,721,443	\$ -	\$ -	\$ -	\$ -
Common Stock	\$ 777,105,796	\$ 777,105,796	\$ 772,169,984	\$ 2,148,700	\$ 2,787,112	\$ -	\$ -
Other Invested Assets	\$ 1,468,184	\$ 1,389,169	\$ -	\$ 1,468,184	\$ -	\$ -	\$ -

D. Not Practicable to Estimate Fair Value

Not applicable

E. NAV Practical Expedient Investments

Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 21 Other Items

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring

Not applicable

C. Other Disclosures

Assets in the amount of \$65,399,739 at December 31, 2023 were committed to purchase mortgage-backed securities in 2024.

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-transferable Tax Credits

Not applicable

F. Subprime Mortgage Related Risk Exposure

(1) Description of the Subprime-Mortgage-Related Risk Exposure and Related Risk Management Practices

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.

The Company's exposure to subprime mortgages at December 31, 2023 is 1.7% 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 \$1,019,626 and \$4,296,334, respectively, as of December 31, 2023. 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. Residential mortgage backed securities	\$ 49,583,546	\$ 50,682,318	\$ 48,223,965	\$ 223,147
b. Commercial mortgage backed securities	\$ -	\$ -	\$ -	\$ -
c. Collateralized debt obligations	\$ -	\$ -	\$ -	\$ -
d. Structured securities	\$ 7,972,126	\$ 8,001,293	\$ 8,025,767	\$ -
e. Equity investment in SCAs *	\$ -	\$ -	\$ -	\$ -
f. Other assets	\$ -	\$ -	\$ -	\$ -
g. Total (a+b+c+d+e+f)	\$ 57,555,672	\$ 58,683,611	\$ 56,249,732	\$ 223,147

* These investments comprise 0.000% of the companies invested assets.

(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

NOTE 22 Events Subsequent

Type I – Recognized Subsequent Events:

Subsequent events have been considered through February 20, 2024 for the statutory statement issued on March 1, 2024.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through February 20, 2024 for the statutory statement issued on March 1, 2024.

WVHP has requested approval from the Iowa Insurance Division to redeem 40,000 shares of outstanding stock from the Company at \$100 per share, for a total cash receipt of \$4,000,000. WVHP also requested approval from the Iowa Insurance Division to pay an extraordinary dividend of \$1,000,000 to the Company. These transactions are anticipated to occur during the first quarter of 2024 and will not have a material impact on the Company's financial condition.

NOTES TO FINANCIAL STATEMENTS

NOTE 23 Reinsurance

Not applicable

NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination**A. Method Used to Estimate Accrued Retrospective Premium Adjustments**

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. At December 31, 2023, the Company had five prior years remaining to be settled with CMS for the Medicare Part D products. The risk sharing amounts relating to all other prior years have been settled with CMS.

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. Retrospective Premiums Recorded Through Written Premium or Adjustment to Earned Premium

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

C. Amount and Percentage of Net Premiums Written Subject to Retrospective Rating Features

The amount of net premiums written by the Company at December 31, 2023 that are subject to retrospective rating features was \$1,790,023,509, which represented 68.4% 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

The Company estimates no medical loss ratio rebates required pursuant to the Public Health Service Act at December 31, 2023.

E. Risk Sharing Provisions of the Affordable Care Act

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

(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 ACA Risk Adjustment (including high risk pool payments)	\$ 21,070,000
Liabilities	
2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 115,268
3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premium)	\$ 1,715,000
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ 21,291,784
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	\$ 115,532
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA Reinsurance	\$ -
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	\$ -
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ -
Liabilities	
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	\$ -
5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ -
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	\$ -
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA Reinsurance	\$ -
8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ -
9. ACA Reinsurance contributions – not reported as ceded premium	\$ -
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA Risk Corridors	\$ -
Liabilities	
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ -
Operations (Revenue & Expense)	
3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$ -
4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$ -

NOTES TO FINANCIAL STATEMENTS

(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 December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					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)
	1	2	3	4	5	6	7	8		9	10
	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)	\$18,263,000	\$ -	\$20,809,584	\$ -	\$(2,546,584)	\$ -	\$ 2,546,584	\$ -	A	\$ -	\$ -
2. Premium adjustments (payable) (including high risk pool premium)	\$ -	\$(1,470,000)	\$ -	\$(2,116,266)	\$ -	\$ 646,266	\$ -	\$(646,266)	B	\$ -	\$ -
3. Subtotal ACA Permanent Risk Adjustment Program	\$18,263,000	\$(1,470,000)	\$20,809,584	\$(2,116,266)	\$(2,546,584)	\$ 646,266	\$ 2,546,584	\$(646,266)		\$ -	\$ -
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
2. Amounts recoverable for claims unpaid (contra liability)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
3. Amounts receivable relating to uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
5. Ceded reinsurance premiums payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
6. Liability for amounts held under uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
7. Subtotal ACA Transitional Reinsurance Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
2. Reserve for rate credits or policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
3. Subtotal ACA Risk Corridors Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
d. Total for ACA Risk Sharing Provisions	\$18,263,000	\$(1,470,000)	\$20,809,584	\$(2,116,266)	\$(2,546,584)	\$ 646,266	\$ 2,546,584	\$(646,266)		\$ -	\$ -

Explanations of Adjustments:

- A. Revised data received
- B. Revised data received

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

Not applicable

(5) ACA Risk Corridors Receivable as of Reporting Date

Not applicable

NOTE 25 Change in Incurred Claims and Claim Adjustment Expenses

A. Change in Incurred Claims and Claim Adjustment Expenses

The Company's reserves for incurred claims and claim adjustment expenses attributable to insured events of prior years have decreased by \$28,977,291 from \$247,796,540 in 2022. 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. Information About Significant Changes in Methodologies and Assumptions

There have been no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

NOTE 26 Intercompany Pooling Arrangements

Not applicable

NOTE 27 Structured Settlements

Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 28 Health Care Receivables

A. Pharmaceutical Rebate Receivables

Date	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2023	\$ 80,197,209	\$ -	\$ 3,521,287	\$ -	\$ -
09/30/2023	\$ 80,836,045	\$ 85,682,189	\$ 72,868,862	\$ -	\$ -
06/30/2023	\$ 82,821,705	\$ 83,973,516	\$ 73,459,588	\$ 12,343,882	\$ -
03/31/2023	\$ 77,735,929	\$ 80,312,359	\$ 68,991,085	\$ 9,208,957	\$ 68,971
12/31/2022	\$ 67,721,445	\$ 68,805,342	\$ -	\$ 67,197,050	\$ 1,498,761
09/30/2022	\$ 62,199,516	\$ 67,266,734	\$ -	\$ 64,864,514	\$ 2,413,224
06/30/2022	\$ 57,451,833	\$ 65,678,142	\$ -	\$ 62,981,179	\$ 2,804,470
03/31/2022	\$ 56,161,168	\$ 64,580,589	\$ -	\$ 62,351,687	\$ 2,153,166
12/31/2021	\$ 57,984,871	\$ 63,529,743	\$ -	\$ 55,758,667	\$ 7,872,869
09/30/2021	\$ 57,477,038	\$ 62,630,607	\$ -	\$ 52,303,427	\$ 10,080,915
06/30/2021	\$ 59,066,090	\$ 59,694,618	\$ -	\$ 51,578,845	\$ 8,395,478
03/31/2021	\$ 58,577,767	\$ 57,941,253	\$ -	\$ 49,247,460	\$ 8,815,277

B. Risk-Sharing Receivables

Not applicable

NOTE 29 Participating Policies

Not applicable

NOTE 30 Premium Deficiency Reserves

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

NOTE 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 [] No []
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] N/A []
- 1.3 State Regulating? Iowa
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No []
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2021
- 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? Yes [] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No []
4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No []
4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No []
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,
7.21 State the percentage of foreign control; 0.0 %
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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

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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 801 Grand Avenue, 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? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain.
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
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? Yes [] No [X]
- 12.11 Name of real estate holding company ...
- 12.12 Number of parcels involved 0
- 12.13 Total book/adjusted carrying value \$0
- 12.2 If yes, provide explanation
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$0
 - 20.12 To stockholders not officers.....\$0
 - 20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$0
 - 20.22 To stockholders not officers.....\$0
 - 20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$0
 - 21.22 Borrowed from others.....\$0
 - 21.23 Leased from others\$0
 - 21.24 Other\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 3,567,473
 - 22.22 Amount paid as expenses\$0
 - 22.23 Other amounts paid\$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

INVESTMENT

- 25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03)..... Yes [X] No []

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information, relating thereto
.....
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
.....
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$0
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$0
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$0
- 25.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$0
- 25.093 Total payable for securities lending reported on the liability page. \$0
- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes [X] No []
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$7,589,867
- 26.22 Subject to reverse repurchase agreements \$0
- 26.23 Subject to dollar repurchase agreements \$0
- 26.24 Subject to reverse dollar repurchase agreements \$0
- 26.25 Placed under option agreements \$0
- 26.26 Letter stock or securities restricted as to sale -
excluding FHLB Capital Stock \$0
- 26.27 FHLB Capital Stock \$2,148,700
- 26.28 On deposit with states \$0
- 26.29 On deposit with other regulatory bodies \$0
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$0
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$0
- 26.32 Other \$0

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No []
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 Yes [] No []
- 27.42 Permitted accounting practice Yes [] No []
- 27.43 Other accounting guidance Yes [] No []
- 27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [] No []
- The reporting entity has obtained explicit approval from the domiciliary state.
 - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
 - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
 - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$0
29. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [X] No []
- 29.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon	BNY Mellon Center, 500 Grant Street, Pittsburgh, PA 15258
Bankers Trust Company	453 7th Street, Des Moines, IA 50309

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

GENERAL INTERROGATORIES

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

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

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

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

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

1 Name of Firm or Individual	2 Affiliation
NISA Investment Advisors, LLC	U.....
Wellington Management Company LLP	U.....
William Blair Investment Management, LLC	U.....
BlackRock Financial Management, Inc.	U.....
Metropolitan West Asset Management, LLC	U.....
Pyrford International, Ltd.	U.....
Broadridge Business Process Outsourcing, LLC	U.....
Cardinal Investment Advisors, 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 [X] No []

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 [X] No []

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107313	NISA Investment Advisors, LLC	549300L11G2J0W7XNY28	SEC	NO.....
106595	Wellington Management Company LLP	549300VHP12TEZNLX41	SEC	NO.....
173961	William Blair Investment Management, LLC	549300VQX7UK060A7X27	SEC	NO.....
107105	BlackRock Financial Management, Inc.	549300LVXY1VJKE13M84	SEC	NO.....
104571	Metropolitan West Asset Management, LLC	5493004MDKGC001Y283	SEC	NO.....
105646	Pyrford International, Ltd.	549300N5W87B21SAUG48	SEC	NO.....
114212	Broadridge Business Process Outsourcing, LLC	213800WWTABZ1G0JHH37	SEC	NO.....
116418	Cardinal Investment Advisors, LLC		SEC	NO.....
133449	Mercer Investments LLC	549300EH2E3BU0C07W92	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 [X] No []

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
72201F-49-0	PIMCO Income Instl	158,625,129
969251-50-3	William Blair Emerging Markets	50,903,046
30.2999 - Total		209,528,175

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
PIMCO Income Instl	Uniform Mortgage-Backed Security TBA 5.500% due 09/01/2053 - 11/01/2053	11,051,664	09/30/2023 ..
PIMCO Income Instl	Uniform Mortgage-Backed Security TBA 6.000% due 10/01/2053 - 11/01/2053	10,410,952	09/30/2023 ..
PIMCO Income Instl	PIMCO Short-Term Floating NAV Portfolio III	9,495,705	09/30/2023 ..
PIMCO Income Instl	Uniform Mortgage-Backed Security TBA 4.000% due 10/01/2053 - 11/01/2053	5,703,427	09/30/2023 ..
PIMCO Income Instl	Uniform Mortgage-Backed Security TBA 5.000% due 10/01/2053 - 11/01/2053	5,457,376	09/30/2023 ..
William Blair Emerging Markets	Taiwan Semiconductor Manufacturing Co. Ltd.	3,766,825	09/30/2023 ..
William Blair Emerging Markets	Tencent Holdings Ltd.	3,003,280	09/30/2023 ..
William Blair Emerging Markets	Samsung Electronics Co.	2,392,443	09/30/2023 ..
William Blair Emerging Markets	PT Bank Central Asia Tbk	2,188,831	09/30/2023 ..
William Blair Emerging Markets	HDFC Bank Ltd.	2,188,831	09/30/2023 ..

GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	1,055,782,269	1,024,263,499	(31,518,770)
31.2 Preferred stocks	1,721,443	1,721,443	0
31.3 Totals	1,057,503,712	1,025,984,942	(31,518,770)

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

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 determine which pricing source to utilize.

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

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes No

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 No

33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes No

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

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

Has the reporting entity self-designated PLGI securities? Yes No

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes No

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes No N/A

GENERAL INTERROGATORIES

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

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

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

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

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

1	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? \$ 1,529,238

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	1,220,926

41.1 Amount of payments for legal expenses, if any? \$ 2,500,844

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
Nyemaster Goode	646,569

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 117,207

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 [] No []

1.2 If yes, indicate premium earned on U.S. business only. \$ 461,665,535

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0

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 \$ 0

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ 389,792,370

1.6 Individual policies: Most current three years:

1.61 Total premium earned \$ 43,470,951

1.62 Total incurred claims \$ 40,327,734

1.63 Number of covered lives 24,199

All years prior to most current three years:

1.64 Total premium earned \$ 418,194,584

1.65 Total incurred claims \$ 349,464,636

1.66 Number of covered lives 130,344

1.7 Group policies: Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

		1	2	
		Current Year	Prior Year	
2.1	Premium Numerator	2,615,179,412	2,576,337,134	
2.2	Premium Denominator	2,615,179,412	2,576,337,134	
2.3	Premium Ratio (2.1/2.2)	1.000	1.000	
2.4	Reserve Numerator	304,201,720	319,286,802	
2.5	Reserve Denominator	304,201,720	319,286,802	
2.6	Reserve Ratio (2.4/2.5)	1.000	1.000	

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

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 [] No []

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

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

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 \$ 0

5.33 Medicare Supplement \$ 9,999,999

5.34 Dental & Vision \$ 9,999,999

5.35 Other Limited Benefit Plan \$ 0

5.36 Other \$ 0

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
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 [] No []

7.2 If no, give details
.....

8. Provide the following information regarding participating providers: 8.1 Number of providers at start of reporting year 9,985

8.2 Number of providers at end of reporting year 9,606

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

9.2 If yes, direct premium earned: 9.21 Business with rate guarantees between 15-36 months.. \$..... 0

9.22 Business with rate guarantees over 36 months \$..... 0

GENERAL INTERROGATORIES

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

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$ 22,362,500

10.22 Amount actually paid for year bonuses.....\$ 16,128,565

10.23 Maximum amount payable withholds.....\$ 0

10.24 Amount actually paid for year withholds.....\$ 0

11.1 Is the reporting entity organized as:

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

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

11.14 A Mixed Model (combination of above)? Yes [] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []

11.3 If yes, show the name of the state requiring such minimum capital and surplus. 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? Yes [] No [X]

11.6 If the amount is calculated, show the calculation

.....

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

1 Name of Service Area
Iowa
South Dakota
.....

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

13.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0

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

13.4 If yes, please provide the balance of funds administered as of the reporting date. \$ 0

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

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

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

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

15.1 Direct Premium Written \$ 0

15.2 Total Incurred Claims \$ 0

15.3 Number of Covered Lives 0

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

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

16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No []

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Wellmark, Inc.

FIVE-YEAR HISTORICAL DATA

	1 2023	2 2022	3 2021	4 2020	5 2019
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	3,907,004,071	3,308,799,411	3,289,273,666	2,954,103,558	2,762,240,921
2. Total liabilities (Page 3, Line 24)	1,266,469,386	1,028,017,615	971,500,067	928,738,915	908,573,958
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)	2,640,534,685	2,280,781,796	2,317,773,599	2,025,364,643	1,853,666,963
Income Statement (Page 4)					
5. Total revenues (Line 8)	2,621,830,096	2,570,574,724	2,551,895,501	2,534,234,453	2,560,232,134
6. Total medical and hospital expenses (Line 18)	2,248,771,981	2,238,058,571	2,212,780,421	2,161,873,674	2,172,199,169
7. Claims adjustment expenses (Line 20)	86,294,705	80,403,314	89,136,809	96,791,030	99,090,076
8. Total administrative expenses (Line 21)	200,118,325	200,614,192	205,083,068	274,239,742	227,641,958
9. Net underwriting gain (loss) (Line 24)	86,645,085	51,498,647	44,895,203	1,330,007	61,300,931
10. Net investment gain (loss) (Line 27)	198,704,598	58,001,861	129,980,008	180,045,837	139,380,920
11. Total other income (Lines 28 plus 29)	(1,980,543)	(3,722,487)	127,803	(4,921,594)	(12,322,649)
12. Net income or (loss) (Line 32)	216,533,140	82,368,021	143,344,014	136,322,250	158,692,202
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	72,632,013	(73,587,981)	76,524,564	21,942,504	75,420,966
Risk-Based Capital Analysis					
14. Total adjusted capital	2,650,366,255	2,280,781,796	2,317,773,599	2,025,364,643	1,853,666,963
15. Authorized control level risk-based capital	232,012,849	213,806,298	210,601,587	180,444,825	165,681,780
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	1,128,636	1,132,334	1,150,378	1,180,058	1,213,004
17. Total members months (Column 6, Line 7)	13,565,905	13,661,152	13,864,371	14,324,116	14,689,144
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)	85.8	87.1	86.7	85.3	84.8
20. Cost containment expenses	0.8	0.7	0.8	0.8	0.8
21. Other claims adjustment expenses	2.5	2.4	2.7	3.1	3.1
22. Total underwriting deductions (Line 23)	96.7	98.0	98.2	100.0	97.6
23. Total underwriting gain (loss) (Line 24)	3.3	2.0	1.8	0.1	2.4
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	185,513,762	332,241,815	295,110,958	339,023,075	320,806,165
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	132,229,382	283,296,128	254,009,736	283,079,231	304,814,070
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	692,549,659	656,143,966	606,738,262	545,909,177	544,174,038
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate	0	0	0	0	0
31. All other affiliated	0	0	0	0	0
32. Total of above Lines 26 to 31	692,549,659	656,143,966	606,738,262	545,909,177	544,174,038
33. Total investment in parent included in Lines 26 to 31 above.	0	0	0	0	0

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

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only								
			2	3	4	5	6	7	8	9	10
States, etc.		Active Status (a)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 8	Deposit-Type Contracts
1. Alabama	AL	N	0	0	0	0	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0	0	0	0	0
5. California	CA	N	0	0	0	0	0	0	0	0	0
6. Colorado	CO	N	0	0	0	0	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0	0	0	0	0
9. District of Columbia	DC	N	0	0	0	0	0	0	0	0	0
10. Florida	FL	N	0	0	0	0	0	0	0	0	0
11. Georgia	GA	N	0	0	0	0	0	0	0	0	0
12. Hawaii	HI	N	0	0	0	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0	0	0	0
14. Illinois	IL	N	0	0	0	0	0	0	0	0	0
15. Indiana	IN	N	0	0	0	0	0	0	0	0	0
16. Iowa	IA	L	2,232,641,231	0	0	0	319,649,085	0	0	2,552,290,316	0
17. Kansas	KS	N	0	0	0	0	0	0	0	0	0
18. Kentucky	KY	N	0	0	0	0	0	0	0	0	0
19. Louisiana	LA	N	0	0	0	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0	0	0	0
24. Minnesota	MN	N	0	0	0	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0	0	0	0
26. Missouri	MO	N	0	0	0	0	0	0	0	0	0
27. Montana	MT	N	0	0	0	0	0	0	0	0	0
28. Nebraska	NE	N	0	0	0	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0	0	0	0
34. North Carolina	NC	N	0	0	0	0	0	0	0	0	0
35. North Dakota	ND	N	0	0	0	0	0	0	0	0	0
36. Ohio	OH	N	0	0	0	0	0	0	0	0	0
37. Oklahoma	OK	N	0	0	0	0	0	0	0	0	0
38. Oregon	OR	N	0	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	N	0	0	0	0	0	0	0	0	0
40. Rhode Island	RI	N	0	0	0	0	0	0	0	0	0
41. South Carolina	SC	N	0	0	0	0	0	0	0	0	0
42. South Dakota	SD	L	62,889,096	0	0	0	0	0	0	62,889,096	0
43. Tennessee	TN	N	0	0	0	0	0	0	0	0	0
44. Texas	TX	N	0	0	0	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0	0	0	0
47. Virginia	VA	N	0	0	0	0	0	0	0	0	0
48. Washington	WA	N	0	0	0	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0	0	0	0
50. Wisconsin	WI	N	0	0	0	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0	0	0	0
58. Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0	0	0	0
59. Subtotal	XXX		2,295,530,327	0	0	0	319,649,085	0	0	2,615,179,412	0
60. Reporting Entity Contributions for Employee Benefit Plans	XXX		0	0	0	0	0	0	0	0	0
61. Totals (Direct Business)	XXX		2,295,530,327	0	0	0	319,649,085	0	0	2,615,179,412	0
DETAILS OF WRITE-INS											
58001.	XXX										
58002.	XXX										
58003.	XXX										
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0	0	0	0

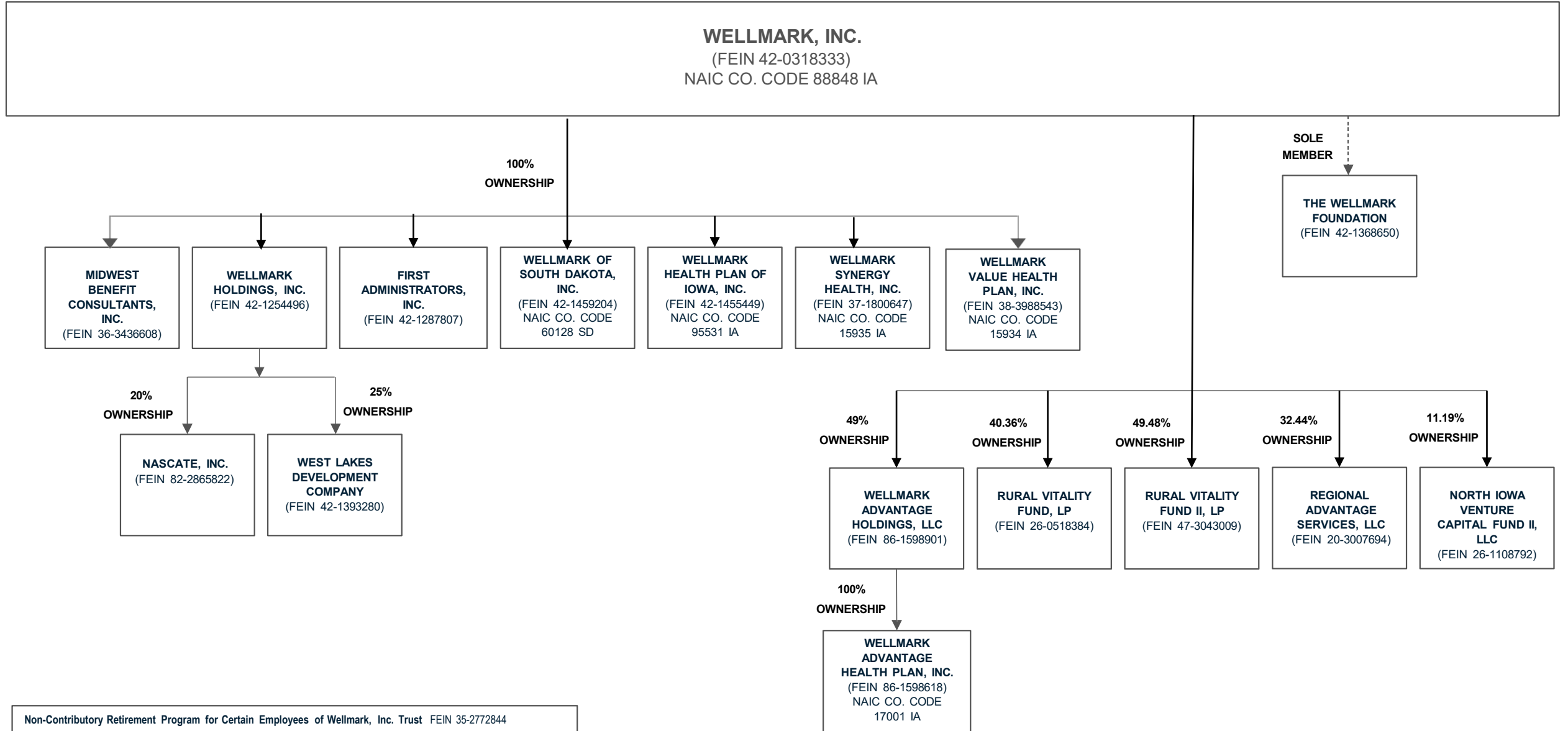
(a) Active Status Counts:

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

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

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



40

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

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

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504. Miscellaneous Assets	1,938,165	1,425,895	512,270	507,584
2597. Summary of remaining write-ins for Line 25 from overflow page	1,938,165	1,425,895	512,270	507,584

Additional Write-ins for Liabilities Line 23

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
2304. Escheat Liability	3,018,294	0	3,018,294	2,471,156
2397. Summary of remaining write-ins for Line 23 from overflow page	3,018,294	0	3,018,294	2,471,156

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504. Miscellaneous Assets	1,425,895	1,523,208	97,313
2597. Summary of remaining write-ins for Line 25 from overflow page	1,425,895	1,523,208	97,313