



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2024
OF THE CONDITION AND AFFAIRS OF THE
BLUE CROSS OF IDAHO HEALTH SERVICE, INC.

NAIC Group Code	1290, 1290	NAIC Company Code	60095	Employer's ID Number	82-0344294
	(Current) (Prior)				
Organized under the Laws of	ID	State of Domicile or Port of Entry	ID		
Country of Domicile	US				
Licensed as business type:	Life, Accident & Health	Is HMO Federally Qualified?	NO		
Incorporated/Organized	01/01/1978	Commenced Business	01/01/1978		
Statutory Home Office	3000 E Pine Ave	Meridian, ID, 83642			
Main Administrative Office	3000 E Pine Ave	(208)-345-4550			
	Meridian, ID, 83642	(Telephone)			
Mail Address	3000 E Pine Ave	Meridian, ID, 83642			
Primary Location of Books and Records	3000 E Pine Ave	(208)-345-4550			
	Meridian, ID, 83642	(Telephone)			
Internet Website Address	bcidaho.com				
Statutory Statement Contact	Alison R. Gale	(986)-224-4004			
		(Telephone)			
	alison.gale@bcidaho.com	(208)-331-7618			
	(E-Mail)	(Fax)			

OFFICERS

Paul G. Zurlo#, President & CEO	David M. Ward, Treasurer
Mark T. Kohler, Secretary	

OTHER

Janice A. Baker, Chief Human Resource Officer	Kathleen M. Belvoir, VP IT Business Transformation
Leslie A. Carter, Chief Operations Officer	Peter P. DiDio, VP Controller & Chief Accounting Officer
Raymond J. Gallagher, Chief Revenue Officer	Stacey L. Gehlken, VP Human Resources
Reagan Greene#, VP Marketing & Experience	Lance C. Hatfield, Chief Information Security Officer
Drew E. Hobby, Chief Strategy Officer	Melissa M. Kizilos, MD, Chief Medical Officer
Mark T. Kohler, Corporate Secretary, VP & Deputy General Counsel	
Peter J. Perez#, VP Business Operations	Steven R. Olson, VP Pharmacy
	Brent C. Price, VP Strategy
Scott E. Randolph, VP Legal Services	Michael R. Reynoldson, SVP Government Affairs & Public Relations
Marc F. Roberts, Chief Actuary & Analytics Officer	Jayson M. Ronk, VP Public Affairs
Maneesh Singhal, Vice President, Chief Technology Officer	Peter C. Sorensen, VP Government Programs
Wade D. Thornock, VP Chief Compliance and Ethics Officer	Kevin F. Tighe, Chief Audit Executive
David M. Ward, EVP, CFO and Chief Risk Officer	Kendra E. Witt-Doyle, VP Executive Director, BCI Foundation
Brian C. Wonderlich, General Counsel	John C. Worley, VP Provider Operations
Stephanie K. Wright, VP Growth and Retention	Todd R. York, VP Provider Partnerships

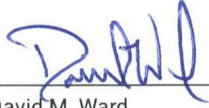
DIRECTORS OR TRUSTEES

Darrel T. Anderson	Juan Alvarez
Gordon S. Jones	Cortney R. Liddiard
Catherine T. Lyons	Joel L. Poppen
Sheryl L. Rickard	Brent J. Stacey
Glen W. Storer	Linda Copple Trout
Paul G. Zurlo#	

State of Idaho
County of Ada SS

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

x 
Paul G. Zurlo
CEO

x 
David M. Ward
Treasurer

x 
Mark T. Kohler
Secretary

Subscribed and sworn to before me
this _____ 26th _____ day of
February _____, 2025

x 

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



ASSETS

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1.	Bonds (Schedule D)	383,238,462	500,000	382,738,462	485,008,894
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	2,248,417	412,996	1,835,421	3,016,614
	2.2 Common stocks	127,079,878	79,741	127,000,137	166,423,989
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less \$..... encumbrances)	33,688,967		33,688,967	34,253,600
	4.2 Properties held for the production of income (less \$..... encumbrances)				
	4.3 Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....(5,721,292), Schedule E - Part 1), cash equivalents (\$.....128,188,088, Schedule E - Part 2) and short-term investments (\$.....5,382,056, Schedule DA)	127,848,852		127,848,852	115,648,944
6.	Contract loans (including \$..... premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)	95,113,939	30,119,132	64,994,807	62,834,307
9.	Receivables for securities	480,777		480,777	3,405,105
10.	Securities lending reinvested collateral assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	769,699,292	31,111,869	738,587,422	870,591,454
13.	Title plants less \$..... charged off (for Title insurers only)				
14.	Investment income due and accrued	3,056,978		3,056,978	3,354,624
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	94,089,806	4,050,524	90,039,283	89,184,865
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums)				
	15.3 Accrued retrospective premiums (\$.....693,998) and contracts subject to redetermination (\$.....3,909,163)	4,603,161		4,603,161	9,790,217
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	7,927,452	283,944	7,643,508	6,521,474
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans	89,530,803	25,693,251	63,837,552	27,336,175
18.1	Current federal and foreign income tax recoverable and interest thereon	1,712,283		1,712,283	9,037,884
18.2	Net deferred tax asset	68,947,739	25,312,297	43,635,442	18,468,867
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software	123,863,802	119,713,216	4,150,587	5,337,962
21.	Furniture and equipment, including health care delivery assets (\$.....)	5,312,384	281,026	5,031,358	6,383,237
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	105,397,856		105,397,856	23,205
24.	Health care (\$.....15,462,617) and other amounts receivable	33,045,458	24,560,787	8,484,672	16,806,123
25.	Aggregate write-ins for other-than-invested assets	36,653,170	35,972,758	680,412	656,193
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,343,840,184	266,979,672	1,076,860,512	1,063,492,278
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	1,343,840,184	266,979,672	1,076,860,512	1,063,492,278
Details of Write-Ins					
1101.					
1102.					
1103.					
1198. Summary of remaining write-ins for Line 11 from overflow page					
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)					
2501.	Other Benefit Costs	15,042,177	15,042,177	—	—
2502.	Prepaid Expenses and Misc Receivables	20,930,581	20,930,581	—	—
2503.	Cash Value Life Insurance	680,412		680,412	656,193
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	36,653,170	35,972,758	680,412	656,193

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$.....4,240,088 reinsurance ceded)	126,389,442		126,389,442	164,455,491
2. Accrued medical incentive pool and bonus amounts	3,445,248		3,445,248	5,541,095
3. Unpaid claims adjustment expenses	1,864,000		1,864,000	1,778,000
4. Aggregate health policy reserves, including the liability of \$.....1,150,204 for medical loss ratio rebate per the Public Health Service Act	49,298,005		49,298,005	46,016,733
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserves				
7. Aggregate health claim reserves				
8. Premiums received in advance	30,146,762		30,146,762	27,507,911
9. General expenses due or accrued	129,085,192		129,085,192	83,130,533
10.1 Current federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable	526,508		526,508	1,407,973
12. Amounts withheld or retained for the account of others	15,874,780		15,874,780	28,887,481
13. Remittances and items not allocated				
14. Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15. Amounts due to parent, subsidiaries and affiliates				1,579,199
16. Derivatives				
17. Payable for securities	1,570,256		1,570,256	4,830,894
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$..... authorized reinsurers, \$..... unauthorized reinsurers and \$..... certified reinsurers)				
20. Reinsurance in unauthorized and certified (\$.....) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans	50,098,721		50,098,721	38,390,971
23. Aggregate write-ins for other liabilities (including \$.....1,555,564 current)	93,932,752		93,932,752	2,317,417
24. Total liabilities (Lines 1 to 23)	502,231,666		502,231,666	405,843,699
25. Aggregate write-ins for special surplus funds	XXX	XXX	273,000,000	
26. Common capital stock	XXX	XXX	1,000,000	
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX		
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	300,628,846	657,648,579
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$.....)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$.....)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	574,628,846	657,648,579
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	1,076,860,512	1,063,492,278
Details of Write-Ins				
2301. FEP Working Capital	175,000		175,000	200,000
2302. Provision for Litigation	20,557,752		20,557,752	417,417
2303. Self-funded Contingency Reserve	73,200,000		73,200,000	1,700,000
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	93,932,752		93,932,752	2,317,417
2501. Segregated Surplus- Surplus Note Funding	XXX	XXX	273,000,000	
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	273,000,000	
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX		

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1	2	3
		Uncovered	Total	Total
1.	Member Months	XXX	2,764,775	2,843,499
2.	Net premium income (including \$..... non-health premium income)	XXX	1,175,904,608	1,356,051,616
3.	Change in unearned premium reserves and reserve for rate credits	XXX	5,777,130	(255,837)
4.	Fee-for-service (net of \$..... medical expenses)	XXX		
5.	Risk revenue	XXX		
6.	Aggregate write-ins for other health care related revenues	XXX		
7.	Aggregate write-ins for other non-health revenues	XXX	563,805	544,988
8.	Total revenues (Lines 2 to 7)	XXX	1,182,245,543	1,356,340,767
Hospital and Medical:				
9.	Hospital/medical benefits		795,198,269	909,175,826
10.	Other professional services		79,170,065	86,180,776
11.	Outside referrals		21,323,925	16,220,396
12.	Emergency room and out-of-area		17,397,379	14,187,489
13.	Prescription drugs		146,983,187	190,159,984
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts		4,154,951	4,674,291
16.	Subtotal (Lines 9 to 15)		1,064,227,776	1,220,598,762
Less:				
17.	Net reinsurance recoveries		37,976,168	35,073,788
18.	Total hospital and medical (Lines 16 minus 17)		1,026,251,608	1,185,524,974
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....29,052,160 cost containment expenses		52,002,680	44,791,441
21.	General administrative expenses		134,424,450	136,066,331
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23.	Total underwriting deductions (Lines 18 through 22)		1,212,678,738	1,366,382,746
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(30,433,195)	(10,041,979)
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		44,832,474	43,955,702
26.	Net realized capital gains (losses) less capital gains tax of \$.....2,358,993		13,490,229	8,299,979
27.	Net investment gains (losses) (Lines 25 plus 26)		58,322,703	52,255,681
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29.	Aggregate write-ins for other income or expenses		(101,469,430)	(2,117,417)
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	(73,579,922)	40,096,285
31.	Federal and foreign income taxes incurred	XXX	4,966,607	572,990
32.	Net income (loss) (Lines 30 minus 31)	XXX	(78,546,529)	39,523,295
Details of Write-Ins				
0601.	.....	XXX		
0602.	.....	XXX		
0603.	.....	XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX		
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX		
0701.	Other Income	XXX	563,805	544,988
0702.	.....	XXX		
0703.	.....	XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX		
0799.	Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	563,805	544,988
1401.	.....		
1402.	.....		
1403.	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901.	Software Impairment		(9,411,671)	—
2902.	Provision for Litigation Contingencies & Other		(20,557,759)	(417,417)
2903.	Self-funded Contingency Reserve		(71,500,000)	(1,700,000)
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		(101,469,430)	(2,117,417)

STATEMENT OF REVENUE AND EXPENSES (CONTINUED)

		1	2
CAPITAL & SURPLUS ACCOUNT		Current Year	Prior Year
33.	Capital and surplus prior reporting year	657,648,579	718,679,970
34.	Net income or (loss) from Line 32	(78,546,529)	39,523,295
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of \$.....(5,249,580)	(19,341,470)	(8,606,452)
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax	47,001,635	(25,909,224)
39.	Change in nonadmitted assets	(17,631,340)	(64,904,501)
40.	Change in unauthorized and certified reinsurance		
41.	Change in treasury stock		
42.	Change in surplus notes		
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
44.1	Paid in		
44.2	Transferred from surplus (Stock Dividend)	1,000,000	
44.3	Transferred to surplus		
45.	Surplus adjustments:		
45.1	Paid in		
45.2	Transferred to capital (Stock Dividend)	(1,000,000)	
45.3	Transferred from capital		
46.	Dividends to stockholders	(14,600,000)	
47.	Aggregate write-ins for gains or (losses) in surplus	97,971	(1,134,510)
48.	Net change in capital and surplus (Lines 34 to 47)	(83,019,733)	(61,031,391)
49.	Capital and surplus end of reporting year (Line 33 plus 48)	574,628,846	657,648,579
Details of Write-Ins			
4701.	Other Comprehensive Income	97,971	(1,134,510)
4702.	.....	
4703.	.....	
4798.	Summary of remaining write-ins for Line 47 from overflow page		
4799.	Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	97,971	(1,134,510)

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	1,189,701,585	1,334,440,156
2.	Net investment income	45,505,365	45,429,177
3.	Miscellaneous income	563,805	544,988
4.	Total (Lines 1 to 3)	1,235,770,755	1,380,414,322
5.	Benefit and loss related payments	1,052,166,538	1,209,904,504
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	163,378,625	167,240,321
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$..... tax on capital gains (losses)	—	4,000,000
10.	Total (Lines 5 through 9)	1,215,545,163	1,381,144,825
11.	Net cash from operations (Line 4 minus Line 10)	20,225,593	(730,503)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	509,672,728	353,595,199
12.2	Stocks	61,504,123	69,242,828
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets	2,777,777	1,730,645
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments	(65,391)	86
12.7	Miscellaneous proceeds	2,924,328	4,539,823
12.8	Total investment proceeds (Lines 12.1 to 12.7)	576,813,564	429,108,581
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	421,853,987	313,610,471
13.2	Stocks	5,360,465	6,451,202
13.3	Mortgage loans		
13.4	Real estate	829,643	1,925,543
13.5	Other invested assets	1,886,724	15,730,487
13.6	Miscellaneous applications	3,260,638	2,875,756
13.7	Total investments acquired (Lines 13.1 to 13.6)	433,191,456	340,593,459
14.	Net increase / (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	143,622,108	88,515,122
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock	—	
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders	14,600,000	
16.6	Other cash provided (applied)	(137,047,793)	(63,785,058)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(151,647,793)	(63,785,058)
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)	12,199,908	23,999,561
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	115,648,944	91,649,384
19.2	End of year (Line 18 plus Line 19.1)	127,848,852	115,648,945
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001.	Self-funded Contingency Reserve	73,200,000	1,700,000
20.0002.	Asset Impairment	9,411,671	—

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14
			2	3											
		Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non-Health
1.	Net premium income.....	1,175,904,608	167,386,263	639,970,640	9,608,671	3,520,367	43,042,408	268,227,124						44,149,135	
2.	Change in unearned premium reserves and reserve for rate credit.....	5,777,130	993,023	(2,538,526)			(19,466)	7,342,099							
3.	Fee-for-service (net of \$..... medical expenses).....														XXX
4.	Risk revenue.....														XXX
5.	Aggregate write-ins for other health care related revenues.....														XXX
6.	Aggregate write-ins for other non-health care related revenues.....	563,805	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	563,805
7.	Total revenues (Lines 1 to 6).....	1,182,245,543	168,379,286	637,432,114	9,608,671	3,520,367	43,022,942	275,569,223						44,149,135	563,805
8.	Hospital/medical benefits.....	795,198,269	131,980,225	431,632,994	6,404,576			181,978,505						43,201,969	XXX
9.	Other professional services.....	79,170,065	5,545,147	22,461,511	333,284	2,884,158	38,485,011	7,645,824						1,815,130	XXX
10.	Outside referrals.....	21,323,925	2,478,838	14,402,073	213,698			3,417,900						811,415	XXX
11.	Emergency room and out-of-area.....	17,397,379	3,281,237	8,393,261	124,539			4,524,273						1,074,069	XXX
12.	Prescription drugs.....	146,983,187	19,838,665	69,801,249				57,343,273							XXX
13.	Aggregate write-ins for other hospital and medical.....														XXX
14.	Incentive pool, withhold adjustments and bonus amounts.....	4,154,951	2,512,670	1,642,281											XXX
15.	Subtotal (Lines 8 to 14).....	1,064,227,776	165,636,782	548,333,370	7,076,097	2,884,158	38,485,011	254,909,775						46,902,583	XXX
16.	Net reinsurance recoveries.....	37,976,168	36,106,468	616,941										1,252,759	XXX
17.	Total hospital and medical (Lines 15 minus 16).....	1,026,251,608	129,530,314	547,716,429	7,076,097	2,884,158	38,485,011	254,909,775						45,649,824	XXX
18.	Non-health claims (net).....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19.	Claims adjustment expenses including \$.....29,052,160 cost containment expenses.....	52,002,682	8,788,980	25,397,481	666,373	157,282	1,065,141	8,528,270						7,399,155	
20.	General administrative expenses.....	134,424,449	28,221,281	61,300,175	1,559,653	172,974	2,813,118	13,327,415						27,029,833	
21.	Increase in reserves for accident and health contracts.....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
22.	Increase in reserves for life contracts.....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23.	Total underwriting deductions (Lines 17 to 22).....	1,212,678,739	166,540,575	634,414,085	9,302,123	3,214,414	42,363,270	276,765,460						80,078,812	
24.	Net underwriting gain or (loss) (Line 7 minus Line 23).....	(30,433,196)	1,838,711	3,018,029	306,548	305,953	659,672	(1,196,237)						(35,929,677)	563,805
Details of Write-Ins															
0501.	.....														XXX
0502.	.....														XXX
0503.	.....														XXX
0598.	Summary of remaining write-ins for Line 5 from overflow page.....														XXX
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....														XXX
0601.	Other Income & Asset Disposals.....	563,805	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	563,805
0602.	.....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.	.....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698.	Summary of remaining write-ins for Line 6 from overflow page.....		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	563,805	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	563,805
1301.	.....														XXX
1302.	.....														XXX
1303.	.....														XXX
1398.	Summary of remaining write-ins for Line 13 from overflow page.....														XXX
1399.	Totals (Lines 1301 through 1303 plus 1398) (Line 13 above).....														XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS

Line of Business		1	2	3	4
		Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1.	Comprehensive (hospital and medical) individual	169,675,332		2,289,069	167,386,263
2.	Comprehensive (hospital and medical) group	640,536,601		565,961	639,970,640
3.	Medicare Supplement	9,608,671			9,608,671
4.	Vision only	3,520,367			3,520,367
5.	Dental only	43,042,408			43,042,408
6.	Federal Employees Health Benefits Plan	268,227,124			268,227,124
7.	Title XVIII – Medicare				
8.	Title XIX – Medicaid				
9.	Credit A&H				
10.	Disability Income				
11.	Long-Term Care				
12.	Other health	45,544,698		1,395,563	44,149,135
13.	Health subtotal (Lines 1 through 12)	1,180,155,201		4,250,593	1,175,904,608
14.	Life				
15.	Property/casualty				
16.	Totals (Lines 13 to 15)	1,180,155,201		4,250,593	1,175,904,608

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 – CLAIMS INCURRED DURING THE YEAR

		1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14
			2	3											
			Individual	Group											
		Total			Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non-Health
1	Payments during the year:														
	1.1 Direct	1,078,597,272	161,830,184	565,579,537	7,072,909	3,737,571	39,107,961	256,263,527						45,005,583	
	1.2 Reinsurance assumed														
	1.3 Reinsurance ceded	37,562,840	35,417,972	1,779,381										365,487	
	1.4 Net	1,041,034,432	126,412,212	563,800,156	7,072,909	3,737,571	39,107,961	256,263,527						44,640,096	
2.	Paid medical incentive pools and bonuses	6,250,798	5,029,408	1,221,390											
3.	Claim liability December 31, current year from Part 2A:														
	3.1 Direct	130,629,530	23,117,948	50,809,152	1,117,000	679,408	1,781,000	46,450,022						6,675,000	
	3.2 Reinsurance assumed														
	3.3 Reinsurance ceded	4,240,088	4,240,088												
	3.4 Net	126,389,442	18,877,860	50,809,152	1,117,000	679,408	1,781,000	46,450,022						6,675,000	
4.	Claim reserve December 31, current year from Part 2D:														
	4.1 Direct														
	4.2 Reinsurance assumed														
	4.3 Reinsurance ceded														
	4.4 Net														
5.	Accrued medical incentive pools and bonuses, current year	3,445,248	2,530,652	914,596											
6.	Net health care receivables (a)	(18,920,172)	533,002	(19,508,175)	(5,202)		42,950	17,253							
7.	Amounts recoverable from reinsurers December 31, current year	7,927,453	6,536,446	448,292										942,715	
8.	Claim liability December 31, prior year from Part 2A:														
	8.1 Direct	168,074,149	21,290,992	89,204,814	1,120,000	1,532,822	2,361,000	47,786,521						4,778,000	
	8.2 Reinsurance assumed														
	8.3 Reinsurance ceded	3,618,658	3,618,658												
	8.4 Net	164,455,491	17,672,335	89,204,814	1,120,000	1,532,822	2,361,000	47,786,521						4,778,000	
9.	Claim reserve December 31, prior year from Part 2D:														
	9.1 Direct														
	9.2 Reinsurance assumed														
	9.3 Reinsurance ceded														
	9.4 Net														
10.	Accrued medical incentive pools and bonuses, prior year	5,541,095	5,047,390	493,705											
11.	Amounts recoverable from reinsurers December 31, prior year	8,304,204	6,469,380	1,779,381										55,443	
12.	Incurred benefits:														
	12.1 Direct	1,060,072,825	163,124,138	546,692,050	7,075,111	2,884,157	38,485,011	254,909,775						46,902,583	
	12.2 Reinsurance assumed														
	12.3 Reinsurance ceded	37,807,519	36,106,468	448,292										1,252,759	
	12.4 Net	1,022,265,306	127,017,669	546,243,758	7,075,111	2,884,157	38,485,011	254,909,775						45,649,824	
13.	Incurred medical incentive pools and bonuses	4,154,951	2,512,670	1,642,281											

(a) Excludes \$ 1,783,200 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – CLAIMS LIABILITY END OF CURRENT YEAR

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13	14
		2	3											
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Reported in Process of Adjustment:														
1.1 Direct	7,296,508	1,483,948	5,235,152		577,408									
1.2 Reinsurance assumed														
1.3 Reinsurance ceded														
1.4 Net	7,296,508	1,483,948	5,235,152		577,408									
2. Incurred but Unreported:														
2.1 Direct	123,333,022	21,634,000	45,574,000	1,117,000	102,000	1,781,000	46,450,022						6,675,000	
2.2 Reinsurance assumed														
2.3 Reinsurance ceded	4,240,088	4,240,088												
2.4 Net	119,092,934	17,393,912	45,574,000	1,117,000	102,000	1,781,000	46,450,022						6,675,000	
3. Amounts Withheld from Paid Claims and Capitations:														
3.1 Direct														
3.2 Reinsurance assumed														
3.3 Reinsurance ceded														
3.4 Net														
4. TOTALS:														
4.1 Direct	130,629,530	23,117,948	50,809,152	1,117,000	679,408	1,781,000	46,450,022						6,675,000	
4.2 Reinsurance assumed														
4.3 Reinsurance ceded	4,240,088	4,240,088												
4.4 Net	126,389,442	18,877,860	50,809,152	1,117,000	679,408	1,781,000	46,450,022						6,675,000	

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

Line of Business		Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year		Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1.	Comprehensive (hospital and medical) individual	(479,676)	126,824,822	155,000	18,722,860	(324,676)	17,672,335
2.	Comprehensive (hospital and medical) group	44,736,645	520,225,952	520,000	50,289,152	45,256,645	89,204,814
3.	Medicare Supplement	983,029	6,089,880	4,000	1,113,000	987,029	1,120,000
4.	Vision Only	1,505,790	2,231,781		679,408	1,505,790	1,532,822
5.	Dental Only	2,741,280	36,366,681	1,000	1,780,000	2,742,280	2,361,000
6.	Federal Employees Health Benefits Plan	38,505,771	217,757,755	726,000	45,724,022	39,231,771	47,786,521
7.	Title XVIII – Medicare						
8.	Title XIX – Medicaid						
9.	Credit A&H						
10.	Disability Income						
11.	Long-Term Care						
12.	Other health	1,558,753	42,194,071	19,000	6,656,000	1,577,753	4,778,000
13.	Health subtotal (Lines 1 to 12)	89,551,592	951,690,942	1,425,000	124,964,442	90,976,592	164,455,492
14.	Health care receivables (a)	8,490,512	28,104,831			8,490,512	55,515,515
15.	Other non-health						
16.	Medical incentive pools and bonus amounts	6,250,798			3,445,248	6,250,798	5,541,095
17.	Totals (Lines 13 - 14 + 15 + 16)	87,311,878	923,586,111	1,425,000	128,409,690	88,736,878	114,481,072

(a) Excludes \$ 1,783,200 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

GRAND TOTAL

Section A – Paid Health Claims

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1	2	3	4	5
		2020	2021	2022	2023	2024
1.	Prior.....	100,115	100,115	101,038	101,038	101,038
2.	2020.....	939,863	1,033,413	1,039,677	1,039,677	1,039,677
3.	2021.....	XXX	1,057,232	1,184,158	1,183,884	1,183,884
4.	2022.....	XXX	XXX	1,035,665	1,157,890	1,158,213
5.	2023.....	XXX	XXX	XXX	1,083,204	1,179,007
6.	2024.....	XXX	XXX	XXX	XXX	951,692

Section B – Incurred Health Claims

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1	2	3	4	5
		2020	2021	2022	2023	2024
1.	Prior.....	101,038	101,038	101,038	101,038	101,038
2.	2020.....	1,093,489	1,039,677	1,039,677	1,039,677	1,039,677
3.	2021.....	XXX	1,207,801	1,183,884	1,183,884	1,183,884
4.	2022.....	XXX	XXX	1,210,208	1,158,213	1,158,213
5.	2023.....	XXX	XXX	XXX	1,252,878	1,180,432
6.	2024.....	XXX	XXX	XXX	XXX	1,080,101

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

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2020.....	1,365,251	1,039,677	(1,602)	(0.154)	1,038,075	76.035	–	–	1,038,075	76.035
2.	2021.....	1,305,273	1,183,884	10,411	0.879	1,194,295	91.498	–	–	1,194,295	91.498
3.	2022.....	1,311,689	1,158,213	1,687	0.146	1,159,900	88.428	–	–	1,159,900	88.428
4.	2023.....	1,355,795	1,179,007	26,648	2.260	1,205,655	88.926	1,425	21	1,207,101	89.033
5.	2024.....	1,181,681	951,692	54,691	5.747	1,006,383	85.165	128,409	1,843	1,136,635	96.188

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1	2	3	4	5
	2020	2021	2022	2023	2024
1. Prior.....	52,725	52,725	53,664	53,664	53,664
2. 2020.....	746,891	805,163	811,038	811,038	811,038
3. 2021.....	XXX	810,072	897,290	896,891	896,891
4. 2022.....	XXX	XXX	793,106	865,223	865,262
5. 2023.....	XXX	XXX	XXX	818,968	869,476
6. 2024.....	XXX	XXX	XXX	XXX	647,051

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1	2	3	4	5
	2020	2021	2022	2023	2024
1. Prior.....	53,664	53,664	53,664	53,664	53,664
2. 2020.....	862,021	811,038	811,038	811,038	811,038
3. 2021.....	XXX	919,088	896,891	896,891	896,891
4. 2022.....	XXX	XXX	912,713	865,262	865,262
5. 2023.....	XXX	XXX	XXX	931,347	870,151
6. 2024.....	XXX	XXX	XXX	XXX	719,508

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

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2020.....		1,084,317	811,038	(7,941)	(0.979)	803,097	74.065	—	—	803,097	74.065
2. 2021.....		994,477	896,891	9,980	1.113	906,871	91.191	—	—	906,871	91.191
3. 2022.....		992,799	865,262	6,974	0.806	872,236	87.856	—	—	872,236	87.856
4. 2023.....		1,007,296	869,476	22,580	2.597	892,056	88.559	675	10	892,741	88.627
5. 2024.....		805,811	647,051	45,844	7.085	692,895	85.987	72,457	1,007	766,359	95.104

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

MEDICARE SUPPLEMENT

Section A – Paid Health Claims

		Cumulative Net Amounts Paid				
		1	2	3	4	5
Year in Which Losses Were Incurred		2020	2021	2022	2023	2024
1.	Prior.....	1,064	1,064	1,070	1,070	1,070
2.	2020.....	8,394	9,569	9,576	9,576	9,576
3.	2021.....	XXX	8,039	9,208	9,209	9,209
4.	2022.....	XXX	XXX	7,449	8,573	8,571
5.	2023.....	XXX	XXX	XXX	6,927	7,910
6.	2024.....	XXX	XXX	XXX	XXX	6,090

Section B – Incurred Health Claims

		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1	2	3	4	5
Year in Which Losses Were Incurred		2020	2021	2022	2023	2024
1.	Prior.....	1,070	1,070	1,070	1,070	1,070
2.	2020.....	9,793	9,576	9,576	9,576	9,576
3.	2021.....	XXX	9,318	9,209	9,209	9,209
4.	2022.....	XXX	XXX	8,588	8,571	8,571
5.	2023.....	XXX	XXX	XXX	8,049	7,914
6.	2024.....	XXX	XXX	XXX	XXX	7,203

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

		1	2	3	4	5	6	7	8	9	10
Years in which Premiums were Earned and Claims were Incurred		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2020.....	14,071	9,576	417	4.355	9,993	71.018	–	–	9,993	71.018
2.	2021.....	13,015	9,209	569	6.179	9,778	75.129	–	–	9,778	75.129
3.	2022.....	11,895	8,571	541	6.312	9,112	76.604	–	–	9,112	76.604
4.	2023.....	10,386	7,910	493	6.233	8,403	80.907	4	–	8,407	80.946
5.	2024.....	9,609	6,090	439	7.209	6,529	67.947	1,113	17	7,659	79.707

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

Section A – Paid Health Claims

		Cumulative Net Amounts Paid				
		1	2	3	4	5
Year in Which Losses Were Incurred		2020	2021	2022	2023	2024
1.	Prior.....	1,039	1,039	1,067	1,067	1,067
2.	2020.....	26,010	26,939	26,939	26,939	26,939
3.	2021.....	XXX	29,475	30,787	30,787	30,787
4.	2022.....	XXX	XXX	30,526	32,340	32,358
5.	2023.....	XXX	XXX	XXX	33,796	36,537
6.	2024.....	XXX	XXX	XXX	XXX	36,367

Section B – Incurred Health Claims

		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1	2	3	4	5
Year in Which Losses Were Incurred		2020	2021	2022	2023	2024
1.	Prior.....	1,067	1,067	1,067	1,067	1,067
2.	2020.....	26,625	26,939	26,939	26,939	26,939
3.	2021.....	XXX	31,457	30,787	30,787	30,787
4.	2022.....	XXX	XXX	31,543	32,358	32,358
5.	2023.....	XXX	XXX	XXX	36,139	36,538
6.	2024.....	XXX	XXX	XXX	XXX	38,147

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

		1	2	3	4	5	6	7	8	9	10
Years in which Premiums were Earned and Claims were Incurred		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2020.....	33,493	26,939	456	1.693	27,395	81.793	—	—	27,395	81.793
2.	2021.....	34,170	30,787	(969)	(3.147)	29,818	87.264	—	—	29,818	87.264
3.	2022.....	36,840	32,358	836	2.584	33,194	90.103	—	—	33,194	90.103
4.	2023.....	40,767	36,537	(834)	(2.283)	35,703	87.578	1	—	35,704	87.581
5.	2024.....	43,023	36,367	1,090	2.997	37,457	87.063	1,780	28	39,265	91.265

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1	2	3	4	5
	2020	2021	2022	2023	2024
1. Prior.....	662	662	662	662	662
2. 2020.....	1,623	2,920	2,920	2,920	2,920
3. 2021.....	XXX	1,938	3,428	3,428	3,428
4. 2022.....	XXX	XXX	2,123	3,465	3,465
5. 2023.....	XXX	XXX	XXX	1,520	3,026
6. 2024.....	XXX	XXX	XXX	XXX	2,232

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1	2	3	4	5
	2020	2021	2022	2023	2024
1. Prior.....	662	662	662	662	662
2. 2020.....	2,850	2,920	2,920	2,920	2,920
3. 2021.....	XXX	3,446	3,428	3,428	3,428
4. 2022.....	XXX	XXX	3,508	3,465	3,465
5. 2023.....	XXX	XXX	XXX	3,053	3,026
6. 2024.....	XXX	XXX	XXX	XXX	2,911

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

Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1. 2020.....	3,994	2,920	(155)	(5.308)	2,765	69.229	—	—	2,765	69.229
2. 2021.....	4,281	3,428	62	1.809	3,490	81.523	—	—	3,490	81.523
3. 2022.....	4,641	3,465	328	9.466	3,793	81.728	—	—	3,793	81.728
4. 2023.....	5,007	3,026	344	11.368	3,370	67.306	—	—	3,370	67.306
5. 2024.....	3,520	2,232	734	32.885	2,966	84.261	679	2	3,647	103.608

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C – DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(\$000 Omitted)

FEDERAL EMPLOYEES HEALTH BENEFITS PLAN

Section A – Paid Health Claims

	Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
		1	2	3	4	5
		2020	2021	2022	2023	2024
1.	Prior.....	28,439	28,439	28,386	28,386	28,386
2.	2020.....	137,699	163,523	163,552	163,552	163,552
3.	2021.....	XXX	172,774	199,602	199,371	199,371
4.	2022.....	XXX	XXX	165,709	202,919	203,094
5.	2023.....	XXX	XXX	XXX	190,361	228,867
6.	2024.....	XXX	XXX	XXX	XXX	217,758

Section B – Incurred Health Claims

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1	2	3	4	5
		2020	2021	2022	2023	2024
1.	Prior.....	28,386	28,386	28,386	28,386	28,386
2.	2020.....	169,309	163,552	163,552	163,552	163,552
3.	2021.....	XXX	204,944	199,371	199,371	199,371
4.	2022.....	XXX	XXX	209,222	203,094	203,094
5.	2023.....	XXX	XXX	XXX	237,973	229,593
6.	2024.....	XXX	XXX	XXX	XXX	263,482

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

		1	2	3	4	5	6	7	8	9	10
Years in which Premiums were Earned and Claims were Incurred		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2020.....	192,056	163,552	(3,915)	(2.394)	159,637	83.120	–	–	159,637	83.120
2.	2021.....	215,135	199,371	114	0.057	199,485	92.725	–	–	199,485	92.725
3.	2022.....	221,013	203,094	(7,305)	(3.597)	195,789	88.587	–	–	195,789	88.587
4.	2023.....	251,738	228,867	(124)	(0.054)	228,743	90.866	726	11	229,480	91.158
5.	2024.....	275,569	217,758	4,638	2.130	222,396	80.704	45,724	689	268,809	97.547

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020.....										
2. 2021.....										
3. 2022.....										
4. 2023.....										
5. 2024.....										

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

Section A – Paid Health Claims

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2020	2 2021	3 2022	4 2023	5 2024
1. Prior.....					
2. 2020.....					
3. 2021.....	XXX				
4. 2022.....	XXX	XXX			
5. 2023.....	XXX	XXX	XXX		
6. 2024.....	XXX	XXX	XXX	XXX	

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

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2020.....										
2. 2021.....										
3. 2022.....										
4. 2023.....										
5. 2024.....										

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

Section A – Paid Health Claims

		Cumulative Net Amounts Paid				
		1	2	3	4	5
Year in Which Losses Were Incurred		2020	2021	2022	2023	2024
1.	Prior.....	16,186	16,186	16,189	16,189	16,189
2.	2020.....	19,246	25,299	25,652	25,652	25,652
3.	2021.....	XXX	34,934	43,843	44,198	44,198
4.	2022.....	XXX	XXX	36,752	45,370	45,463
5.	2023.....	XXX	XXX	XXX	31,632	33,191
6.	2024.....	XXX	XXX	XXX	XXX	42,194

Section B – Incurred Health Claims

		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1	2	3	4	5
Year in Which Losses Were Incurred		2020	2021	2022	2023	2024
1.	Prior.....	16,189	16,189	16,189	16,189	16,189
2.	2020.....	22,891	25,652	25,652	25,652	25,652
3.	2021.....	XXX	39,548	44,198	44,198	44,198
4.	2022.....	XXX	XXX	44,634	45,463	45,463
5.	2023.....	XXX	XXX	XXX	36,317	33,210
6.	2024.....	XXX	XXX	XXX	XXX	48,850

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

		1	2	3	4	5	6	7	8	9	10
Years in which Premiums were Earned and Claims were Incurred		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2020.....	37,320	25,652	9,536	37.174	35,188	94.287	—	—	35,188	94.287
2.	2021.....	44,195	44,198	655	1.482	44,853	101.489	—	—	44,853	101.489
3.	2022.....	44,501	45,463	313	0.688	45,776	102.865	—	—	45,776	102.865
4.	2023.....	40,601	33,191	4,189	12.621	37,380	92.067	19	—	37,399	92.113
5.	2024.....	44,149	42,194	1,946	4.612	44,140	99.980	6,656	100	50,896	115.282

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

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10	11	12	13
		2	3										
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Credit A&H	Disability Income	Long-Term Care	Other
1. Unearned premium reserves													
2. Additional policy reserves (a)													
3. Reserve for future contingent benefits													
4. Reserve for rate credits or experience rating refunds (including \$..... for investment income)	11,216,091	10,630,709	585,382										
5. Aggregate write-ins for other policy reserves	38,081,913						38,081,913						
6. Totals (gross)	49,298,004	10,630,709	585,382				38,081,913						
7. Reinsurance ceded													
8. Totals (Net) (Page 3, Line 4)	49,298,004	10,630,709	585,382				38,081,913						
9. Present value of amounts not yet due on claims													
10. Reserve for future contingent benefits													
11. Aggregate write-ins for other claim reserves													
12. Totals (gross)													
13. Reinsurance ceded													
14. Totals (Net) (Page 3, Line 7)													
Details of Write-Ins													
0501. FEP Rate Stabilization Reserve	38,081,913						38,081,913						
0502.													
0503.													
0598. Summary of remaining write-ins for Line 5 from overflow page													
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	38,081,913						38,081,913						
1101.													
1102.													
1103.													
1198. Summary of remaining write-ins for Line 11 from overflow page													
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)													

(a) Includes \$ – premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 – ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$.....6,687,711 for occupancy of own building)			7,240,925		7,240,925
2. Salaries, wages and other benefits	28,731,273	16,551,430	83,788,930	549,704	129,621,337
3. Commissions (less \$..... ceded plus \$..... assumed)			20,115,863		20,115,863
4. Legal fees and expenses	18,401		3,355,239		3,373,640
5. Certifications and accreditation fees					
6. Auditing, actuarial and other consulting services	2,246,853	1,756	2,731,720		4,980,329
7. Traveling expenses	152,176	42,591	963,183		1,157,950
8. Marketing and advertising	7,930	195	3,866,114		3,874,239
9. Postage, express and telephone	150,006	1,525,314	1,895,035		3,570,355
10. Printing and office supplies	78,589	526,754	1,831,151		2,436,494
11. Occupancy, depreciation and amortization			328,355		328,355
12. Equipment	226,940	154,835	964,882		1,346,657
13. Cost or depreciation of EDP equipment and software	6,436,457	17,145,644	22,544,829		46,126,930
14. Outsourced services including EDP, claims, and other services	9,734,098	4,610,466	18,503,868		32,848,432
15. Boards, bureaus and association fees	35,562	11,526	1,263,672		1,310,760
16. Insurance, except on real estate	21,356	11,758	3,014,205		3,047,319
17. Collection and bank service charges			152,866		152,866
18. Group service and administration fees	2,415,956		13,487,341		15,903,297
19. Reimbursements by uninsured plans	(23,796,082)	(19,131,080)	(66,132,019)		(109,059,181)
20. Reimbursements from fiscal intermediaries					
21. Real estate expenses	495,600	311,466	(396,355)		410,711
22. Real estate taxes			197,949		197,949
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			300		300
23.2 State premium taxes			13,065,939		13,065,939
23.3 Regulatory authority licenses and fees	789	239	3,780,043		3,781,071
23.4 Payroll taxes	1,829,965	1,065,051	4,874,656		7,769,672
23.5 Other (excluding federal income and real estate taxes)					
24. Investment expenses not included elsewhere				1,942,513	1,942,513
25. Aggregate write-ins for expenses	266,291	122,575	(7,014,241)		(6,625,375)
26. Total expenses incurred (Lines 1 to 25)	29,052,160	22,950,520	134,424,450	2,492,217	(a) 188,919,347
27. Less expenses unpaid December 31, current year			128,664,599	420,593	129,085,192
28. Add expenses unpaid December 31, prior year			82,622,791	507,742	83,130,533
29. Amounts receivable relating to uninsured plans, prior year			27,336,175		27,336,175
30. Amounts receivable relating to uninsured plans, current year			63,837,552		63,837,552
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	29,052,160	22,950,520	124,884,019	2,579,366	179,466,065
Details of Write-Ins					
2501. Contributions	1,000		966,758		967,758
2502. Value-based and wellness incentives	103,403				103,403
2503. Interplan program host fees	9,956		(9,017,163)		(9,007,207)
2598. Summary of remaining write-ins for Line 25 from overflow page	151,932	122,575	1,036,164		1,310,671
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	266,291	122,575	(7,014,241)		(6,625,375)

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) 1,825,142	..... 1,545,479
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) 26,183,966	..... 26,109,528
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b) 146,325	..... 146,325
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated) .....	..... 2,964,972	..... 2,891,897
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d) .....	..... 6,687,711
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 9,359,547	..... 9,497,226
7.	Derivative instruments	(f)	
8.	Other invested assets .....	..... 2,274,147	..... 2,265,997
9.	Aggregate write-ins for investment income .....	..... 1,494,787	..... 1,494,787
10.	Total gross investment income .....	..... 44,248,884	..... 50,638,949
11.	Investment expenses		(g) 2,492,216
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h) 1,530,569
14.	Depreciation on real estate and other invested assets		(i) 1,783,690
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Lines 11 through 15) .....		..... 5,806,475
17.	Net investment income (Line 10 minus Line 16) .....		..... 44,832,474
Details of Write-Ins			
0901.	FEP Interest Income .....	..... 1,494,787	..... 1,494,787
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	..... 1,494,787	..... 1,494,787
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$1,898,971 accrual of discount less \$500,254 amortization of premium and less \$1,178,880 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$(9,726) amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$6,687,711 for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$82,548 accrual of discount less \$ amortization of premium and less \$33,207 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$2,492,216 investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$1,783,690 depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	(2,785,450)		(2,785,450)	(469,764)	
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)	(13,732,741)		(13,732,741)	1,137,547	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	(122,764)		(122,764)	107,321	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	32,307,097		32,307,097	(16,762,769)	
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments	(65,391)		(65,391)		
7.	Derivative instruments					
8.	Other invested assets	248,472		248,472	(8,603,385)	
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	15,849,222		15,849,222	(24,591,050)	
Details of Write-Ins						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 – Col. 1)
1.	Bonds (Schedule D).....	500,000	500,000	–
2.	Stocks (Schedule D):			
2.1	Preferred stocks.....	412,996	412,996	–
2.2	Common stocks.....	79,741	79,741	–
3.	Mortgage loans on real estate (Schedule B):			
3.1	First liens.....			
3.2	Other than first liens.....			
4.	Real estate (Schedule A):			
4.1	Properties occupied by the company.....		389,414	389,414
4.2	Properties held for the production of income.....			
4.3	Properties held for sale.....			
5.	Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			
6.	Contract loans.....			
7.	Derivatives (Schedule DB).....			
8.	Other invested assets (Schedule BA).....	30,119,132	41,525,599	11,406,467
9.	Receivables for securities.....			
10.	Securities lending reinvested collateral assets (Schedule DL).....			
11.	Aggregate write-ins for invested assets.....			
12.	Subtotals, cash and invested assets (Lines 1 to 11).....	31,111,869	42,907,750	11,795,880
13.	Title plants (for Title insurers only).....			
14.	Investment income due and accrued.....			
15.	Premiums and considerations:			
15.1	Uncollected premiums and agents’ balances in the course of collection.....	4,050,524	2,183,155	(1,867,369)
15.2	Deferred premiums, agents’ balances and installments booked but deferred and not yet due.....			
15.3	Accrued retrospective premiums and contracts subject to redetermination.....		515,920	515,920
16.	Reinsurance:			
16.1	Amounts recoverable from reinsurers.....	283,944	1,782,729	1,498,785
16.2	Funds held by or deposited with reinsured companies.....			
16.3	Other amounts receivable under reinsurance contracts.....			
17.	Amounts receivable relating to uninsured plans.....	25,693,251	23,992,001	(1,701,251)
18.1	Current federal and foreign income tax recoverable and interest thereon.....			
18.2	Net deferred tax asset.....	25,312,297		(25,312,297)
19.	Guaranty funds receivable or on deposit.....			
20.	Electronic data processing equipment and software.....	119,713,216	118,314,614	(1,398,602)
21.	Furniture and equipment, including health care delivery assets.....	281,026	801,909	520,883
22.	Net adjustment in assets and liabilities due to foreign exchange rates.....			
23.	Receivables from parent, subsidiaries and affiliates.....			
24.	Health care and other amounts receivable.....	24,560,787	30,109,551	5,548,764
25.	Aggregate write-ins for other-than-invested assets.....	35,972,758	30,513,050	(5,459,708)
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	266,979,672	251,120,677	(15,858,995)
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
28.	Total (Lines 26 and 27).....	266,979,672	251,120,677	(15,858,995)
Details of Write-Ins				
1101.	.....		
1102.	.....		
1103.	.....		
1198.	Summary of remaining write-ins for Line 11 from overflow page.....			
1199.	Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....			
2501.	Other Benefit Costs.....	15,042,177	12,687,927	(2,354,250)
2502.	Prepaid Expenses and Misc Receivables.....	20,930,581	17,825,123	(3,105,458)
2503.	.....		
2598.	Summary of remaining write-ins for Line 25 from overflow page.....			
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	35,972,758	30,513,050	(5,459,708)

EXHIBIT 1 – ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....						
2. Provider Service Organizations.....						
3. Preferred Provider Organizations.....	184,996	182,874	180,164	185,039	184,505	2,199,521
4. Point of Service.....	42,562	40,924	40,229	40,568	39,324	485,163
5. Indemnity Only.....	9,574	9,417	9,298	3,962	3,858	80,091
6. Aggregate write-ins for other lines of business.....						
7. Total.....	237,132	233,215	229,691	229,569	227,687	2,764,775
Details of Write-Ins						
0601.....						
0602.....						
0603.....						
0698. Summary of remaining write-ins for Line 6 from overflow page.....						
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....						

Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Blue Cross of Idaho Health Service, Inc. (the Company) are presented on the basis of accounting practices prescribed or permitted by the Idaho Department of Insurance (DOI). The DOI recognizes only these statutory accounting and prescribed or permitted practices for determining and reporting an insurance company's financial condition and results of operations and for determining solvency under Idaho State Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (SAP) has been adopted as a component of prescribed or permitted practices by the State of Idaho.

The State of Idaho has adopted a prescribed accounting practice that differs from NAIC SAP. Specifically, certain furniture and equipment are admitted up to one percent of other assets of the insurer under Idaho State Law. The prescribed practice does not impact the calculation of net income or prevent the triggering of a regulatory event in the Company's risk-based capital calculation.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Idaho is shown below:

	SSAP #	F/S Page	F/S Line #	2024	2023
Net Income					
(1) State basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ (78,546,529)	\$ 39,523,295
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ (78,546,529)</u>	<u>\$ 39,523,295</u>
Surplus					
(5) State basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$ 574,628,846	\$ 657,648,579
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
1A		2	21	5,031,358	6,383,237
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 569,597,488</u>	<u>\$ 651,265,342</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. As additional information becomes available, or actual amounts are determinable, the recorded estimates will be revised. Actual results could differ from these estimates.

C. Accounting Policy

Premium revenue is recognized during the month in which policyholder coverage is provided. The unrecognized portion of premiums received is recorded as premiums received in advance. All costs of acquiring new insurance business, including sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the scientific amortization method. Non-investment grade bonds are stated at the lower of amortized cost or fair market value.
- (3) Common stocks are stated at fair market value.
- (4) Preferred stocks are stated in accordance with the guidance provided in Statement of Statutory Accounting Principle (SSAP) No. 32, *Investments in Preferred Stock*.
- (5) The Company does not have direct investments in mortgage loans.
- (6) Loan-backed securities are stated at amortized cost using the "pro-rata" method, whereby amortized value is always based on the initial amortized value ratio times the par balance as of the end of the current processing month. As principal is received, the entire discount or premium on the portion received is recognized in its entirety, directly mirroring the cash flows.
- (7) The Company has an insurance affiliate, Blue Cross of Idaho Care Plus, Inc. (Care Plus).
- (8) The Company accounts for its partnership investment described in Note 3. A. using the statutory equity method of accounting. The difference between total cost and book value of the investment has been recorded as goodwill, which is being amortized to unrealized capital gains and losses on a straight-line basis over a period of 10 years.
- (9) The Company has no investments in derivatives.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 54R, *Individual and Group Accident and Health Contracts*.
- (11) Unpaid losses and loss adjustment expenses may include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates, and for establishing the resulting liability, are continually reviewed and any adjustments to estimates are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company estimates pharmaceutical rebate receivables based on historical experience, modified for current trends.

Notes to the Financial Statements

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

D. Going Concern

There have been no conditions or events which would raise substantial doubt about the Company’s ability to continue as a going concern within one year after the date that the financial statements are issued.

2. Accounting Changes and Corrections of Errors - Not Applicable

3. Business Combinations and Goodwill

A. Statutory Purchase Method

On April 1, 2019, the Company purchased 40% of the common units of Alliance Medical Group, LLC (doing business as Primary Health Medical Group), an Idaho-based primary medical practice group. Total cost of this investment was \$30.9 million, resulting in goodwill of \$26.2 million and goodwill amortization of \$15.0 million as of December 31, 2024. The purchase agreement includes potential future payments up to a total of \$5.3 million based on revenue performance through December 31, 2025. As of December 31, 2024, the Company has made \$5.3 million of earnout payments under the purchase agreement and has no remaining liability for future payouts.

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

1	2	3	4	5	6	7	8	9
Purchased entity	Acquisition date	Cost of acquired entity	Original amount of goodwill	Original amount of admitted goodwill	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
Alliance Medical Group	04/01/2019	\$ 30,888,774	\$ 26,157,020	\$ 26,157,020	\$ 11,116,733	\$ 2,615,702	\$ 17,189,374	64.672 %
Total	XXX	\$ 30,888,774	\$ 26,157,020	\$ 26,157,020	\$ 11,116,733	\$ 2,615,702	\$ 17,189,374	XXX

B. Statutory Merger - Not Applicable

C. Assumption Reinsurance - Not Applicable

D. Impairment Loss - Not Applicable

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

	Calculation of Limitation Using Prior Quarter Numbers	Current Reporting Period
(1) Capital & Surplus	\$ 641,271,991	XXX
Less:		
(2) Admitted Positive Goodwill	11,770,659	XXX
(3) Admitted EDP Equipment & Operating System Software	4,072,451	XXX
(4) Admitted Net Deferred Taxes	20,174,593	XXX
(5) Adjusted Capital and Surplus (Line 1-2-3-4)	605,254,288	XXX
(6) Limitation on amount of goodwill (adjusted capital and surplus times 10% goodwill limitation [Line 5*10%])	60,525,429	XXX
(7) Current period reported Admitted Goodwill	XXX	11,116,733
(8) Current Period Admitted Goodwill as a % of prior period Adjusted Capital and Surplus (Line 7/Line 5)	XXX	1.837 %

4. Discontinued Operations - Not Applicable

5. Investments

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

B. Debt Restructuring - Not Applicable

C. Reverse Mortgages - Not Applicable

D. Loan-Backed Securities

- (1) Prepayment assumptions for loan-backed securities were obtained from broker-dealer survey values or internal estimates.
- (2) Loan-backed and structured securities with a recognized other-than-temporary impairment (OTTI) - Not Applicable
- (3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities - Not Applicable
- (4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss

a. The aggregate amount of unrealized losses:

1. Less than 12 months\$ 929,595

2. 12 months or longer1,540,107

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

1. Less than 12 months\$ 56,509,587

2. 12 months or longer22,324,217
- (5) These impairments were considered to be temporary primarily based on the issuer’s creditworthiness. The Company also evaluated the length of time and extent to which the fair value has been less than cost or carrying value as well as its intent and ability to retain the security for a period of time sufficient to allow for anticipated recovery.

Notes to the Financial Statements

5. Investments (Continued)

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Repurchase Transaction - Cash Provider - Overview of Secured Borrowing Transactions

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

The Company has an overnight reverse repurchase agreement accounted for as a secured borrowing. The repurchase program is intended to maximize the return on excess cash with relatively low risk. Collateral consists of U.S. Treasury securities and U.S. government agency securities with fair values in excess of the amounts loaned under the agreement.

(2) Type of repo trades used

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

(3) Original (flow) & residual maturity

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Open - No maturity.....	\$.....	\$.....	\$.....	\$.....
2. Overnight.....	69,400,000	24,000,000	14,400,000	4,000,000
3. 2 days to 1 week.....				
4. Over 1 week to 1 month.....				
5. Over 1 month to 3 months.....				
6. Over 3 months to 1 year.....				
7. Over 1 year.....				
b. Ending Balance				
1. Open - No maturity.....	\$.....	\$.....	\$.....	\$.....
2. Overnight.....	-	-	-	-
3. 2 days to 1 week.....				
4. Over 1 week to 1 month.....				
5. Over 1 month to 3 months.....				
6. Over 3 months to 1 year.....				
7. Over 1 year.....				

- (4) Fair value of securities sold and/or acquired that resulted in default - Not Applicable
- (5) Fair value of securities acquired under repo - secured borrowing - Not Applicable
- (6) Securities acquired under repo - secured borrowing by NAIC designation - Not Applicable
- (7) Collateral provided - secured borrowing - Not Applicable
- (8) Allocation of aggregate collateral pledged by remaining contractual maturity - Not Applicable
- (9) Recognized receivable for return of collateral - secured borrowing - Not Applicable
- (10) Recognized liability to return collateral - secured borrowing (total) - 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 the Financial Statements

5. Investments (Continued)

L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	(1) Total Gross (Admitted & Nonadmitted) Restricted from Current Year	(2) Total Gross (Admitted & Nonadmitted) Restricted From Prior Year	(3) Increase / (Decrease) (1 - 2)	(4) Total Current Year Nonadmitted Restricted	(5) Total Current Year Admitted Restricted (1 - 4)	(6) Gross (Admitted & Nonadmitted) Restricted to Total Assets	(7) Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements							
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states	1,051,386	1,051,386	-		1,051,386	0.078	0.098
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total restricted assets (Sum of a through n)	\$ 1,051,386	\$ 1,051,386	\$ -	\$	\$ 1,051,386	0.078 %	0.098 %

(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

Investment	Number of 5GI Securities		Aggregate BACV		Aggregate Fair Value	
	2024	2023	2024	2023	2024	2023
(1) Bonds - AC	1	1	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
(2) Bonds - FV						
(3) LB & SS - AC						
(4) LB & SS - FV						
(5) Preferred stock - AC	1		1,204,825		1,222,903	
(6) Preferred stock - FV						
(7) Total (1+2+3+4+5+6)	2	1	\$ 1,704,825	\$ 500,000	\$ 1,722,903	\$ 500,000

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees

The Company recognized \$4,000.

	General Account
(1) Number of CUSIPs	1
(2) Aggregate amount of investment income	\$ 4,000

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

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

6. Joint Ventures, Partnerships and Limited Liability Companies

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

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

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

There were no write downs for impairments of joint venture assets in 2024 or 2023.

7. Investment Income

A. Due and Accrued Income Excluded from Surplus

No investment income due and accrued was excluded from surplus in 2024 or 2023. The Company does not accrue investment income where collection is uncertain.

B. Total Amount Excluded - Not Applicable

Notes to the Financial Statements

7. Investment Income (Continued)

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

Interest Income Due and Accrued		Amount
1. Gross		\$ 3,056,978
2. Nonadmitted		\$
3. Admitted		\$ 3,056,978

D. The aggregate deferred interest - Not Applicable

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

	Amount
Cumulative amounts of PIK interest included in the current principal balance	\$ 418,354

8. Derivative Instruments - Not Applicable

9. Income Taxes

A. Components of the Net Deferred Tax Asset/(Liability)

(1) Change between years by tax character

	2024			2023			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 82,097,354	\$ 16,460,805	\$ 98,558,159	\$ 61,610,628	\$ 17,487,325	\$ 79,097,953	\$ 20,486,726	\$ (1,026,520)	\$ 19,460,206
(b) Statutory valuation allowance adjustments				24,555,611		24,555,611	(24,555,611)		(24,555,611)
(c) Adjusted gross deferred tax assets (1a - 1b)	82,097,354	16,460,805	98,558,159	37,055,017	17,487,325	54,542,342	45,042,337	(1,026,520)	44,015,817
(d) Deferred tax assets nonadmitted	25,312,297		25,312,297				25,312,297		25,312,297
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 56,785,057	\$ 16,460,805	\$ 73,245,862	\$ 37,055,017	\$ 17,487,325	\$ 54,542,342	\$ 19,730,040	\$ (1,026,520)	\$ 18,703,520
(f) Deferred tax liabilities	11,812,205	17,798,215	29,610,420	16,036,881	20,036,592	36,073,473	(4,224,676)	(2,238,377)	(6,463,053)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ 44,972,852	\$ (1,337,410)	\$ 43,635,442	\$ 21,018,136	\$ (2,549,267)	\$ 18,468,869	\$ 23,954,716	\$ 1,211,857	\$ 25,166,573

(2) Admission calculation components SSAP No. 101

	2024			2023			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 15,214,384	—	\$ 15,214,384	\$ 12,298,397		\$ 12,298,397	\$ 2,915,987	—	\$ 2,915,987
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	28,421,059	—	28,421,059	16,026,130		16,026,130	12,394,929	—	12,394,929
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	28,421,059		28,421,059	16,026,130		16,026,130	12,394,929		12,394,929
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	71,941,832	XXX	XXX	100,616,923	XXX	XXX	(28,675,091)
(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	13,149,614	16,460,805	29,610,419	8,730,490	17,487,324	26,217,814	4,419,124	(1,026,519)	3,392,605
(d) Deferred tax assets admitted as the result of application of SSAP No. 101.									
Total (2(a) + 2(b) + 2(c))	\$ 56,785,057	\$ 16,460,805	\$ 73,245,862	\$ 37,055,017	\$ 17,487,324	\$ 54,542,341	\$ 19,730,040	\$ (1,026,519)	\$ 18,703,521

(3) Ratio used as basis of admissibility

	2024	2023
(a) Ratio percentage used to determine recovery period and threshold limitation amount	1,063.000 %	1,165.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 530,993,404	\$ 639,179,712

(4) Impact of tax-planning strategies

The Company is not relying on any tax-planning strategies.

Notes to the Financial Statements

9. Income Taxes (Continued)

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

	2024		2023		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 82,097,354	\$ 16,460,805	\$ 37,055,017	\$ 17,487,325	\$ 45,042,337	\$ (1,026,520)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 56,785,057	\$ 16,460,805	\$ 37,055,017	\$ 17,487,325	\$ 19,730,040	\$ (1,026,520)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

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

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

B. Regarding Deferred Tax Liabilities That Are Not Recognized

The Company has no material unrecognized deferred tax liabilities.

C. Major Components of Current Income Taxes Incurred

Current income taxes incurred consist of the following major components:						(1)	(2)	(3)
						2024	2023	Change (1-2)
1. Current Income Tax								
(a) Federal						\$ 5,298,803	\$ 5,639,350	\$ (340,547)
(b) Foreign								
(c) Subtotal (1a+1b)						\$ 5,298,803	\$ 5,639,350	\$ (340,547)
(d) Federal income tax on net capital gains						2,358,993	2,249,434	109,559
(e) Utilization of capital loss carry-forwards								
(f) Other						(332,196)	(5,066,360)	4,734,164
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)						\$ 7,325,600	\$ 2,822,424	\$ 4,503,176
						(1)	(2)	(3)
						2024	2023	Change (1-2)
2. Deferred Tax Assets								
(a) Ordinary								
(1) Discounting of unpaid losses						\$ 443,078	\$ 524,206	\$ (81,128)
(2) Unearned premium reserve								
(3) Policyholder reserves								
(4) Investments						92,524	191,175	(98,651)
(5) Deferred acquisition costs								
(6) Policyholder dividends accrual								
(7) Fixed assets						25,198,791	25,096,247	102,544
(8) Compensation and benefits accrual						18,377,945	19,031,502	(653,557)
(9) Pension accrual								
(10) Receivables - nonadmitted						11,794,382	12,197,707	(403,325)
(11) Net operating loss carry-forward								
(12) Tax credit carry-forward								
(13) Other						26,190,634	4,569,791	21,620,843
(99) Subtotal (Sum of 2a1 through 2a13)						\$ 82,097,354	\$ 61,610,628	\$ 20,486,726
(b) Statutory valuation allowance adjustment							24,555,611	(24,555,611)
(c) Nonadmitted						25,312,297		25,312,297
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)						\$ 56,785,057	\$ 37,055,017	\$ 19,730,040
(e) Capital								
(1) Investments						\$ 16,226,901	\$ 17,266,856	\$ (1,039,955)
(2) Net capital loss carry-forward								
(3) Real estate								
(4) Other						233,904	220,469	13,435
(99) Subtotal (2e1+2e2+2e3+2e4)						\$ 16,460,805	\$ 17,487,325	\$ (1,026,520)
(f) Statutory valuation allowance adjustment								
(g) Nonadmitted								
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)						16,460,805	17,487,325	(1,026,520)
(i) Admitted deferred tax assets (2d + 2h)						\$ 73,245,862	\$ 54,542,342	\$ 18,703,520

Notes to the Financial Statements

9. Income Taxes (Continued)

	(1) 2024	(2) 2023	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 17,723	\$ 33,068	\$ (15,345)
(2) Fixed assets	5,012,164	9,244,217	(4,232,053)
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other	6,782,318	6,759,596	22,722
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 11,812,205	\$ 16,036,881	\$ (4,224,676)
(b) Capital			
(1) Investments	\$ 17,798,215	\$ 20,036,592	\$ (2,238,377)
(2) Real estate			
(3) Other			
(99) Subtotal (3b1+3b2+3b3)	\$ 17,798,215	\$ 20,036,592	\$ (2,238,377)
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 29,610,420	\$ 36,073,473	\$ (6,463,053)
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 43,635,442	\$ 18,468,869	\$ 25,166,573

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

	Current Period	Prior Year	Change (Col. 1 - Col. 2)
Adjusted gross deferred tax assets	\$ 98,558,159	\$ 79,097,953	\$ 19,460,206
Total deferred tax liabilities	29,610,420	36,073,473	(6,463,053)
Net deferred tax assets (liabilities)	68,947,739	43,024,480	25,923,259
Statutory valuation allowance adjustment		24,555,611	(24,555,611)
Net deferred tax assets (liabilities) after statutory valuation allowance	68,947,739	18,468,869	50,478,870
Tax effect of unrealized gains (losses)			(5,249,579)
Change in net deferred income tax			\$ 45,229,291

The realization of the DTA is dependent upon the Company's ability to generate sufficient taxable income in future periods. Based on current and historical results and prospects for future operations, management anticipates that it is more likely than not that future taxable income will be sufficient for the realization of the remaining DTA.

D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be provided by applying the statutory federal income tax rate to income before taxes. Among the more significant book to tax adjustments were the following:

	2024	Effective Tax Rate
Provision computed at statutory rate	\$ (14,956,395)	21.00%
Change in net deferred income tax	2,018,889	-2.83%
Change in statutory valuation allowance	(24,555,611)	34.48%
Compensation	1,036,113	-1.45%
True-up of prior year tax return	(169,303)	0.24%
General business credit	(1,262,296)	1.77%
Other permanent differences	(15,087)	0.02%
Total statutory income taxes	\$ (37,903,690)	53.22%
Federal income tax expense	\$ 7,657,798	-10.75%
Change in net deferred income tax	(45,229,291)	63.51%
Prior year underaccrual	(332,196)	0.47%
Total statutory income taxes	\$ (37,903,690)	53.22%

E. Operating Loss and Tax Credit Carryforwards

(1) There were no unused operating loss or tax credit carryforwards available for tax purposes as of December 31, 2024 or 2023.

(2) Income tax expense available for recoupment

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

	Ordinary	Capital	Total
2022	\$	\$ 3,821,944	\$ 3,821,944
2023	5,183,866	2,372,722	7,556,588
2024	5,298,803	2,358,993	7,657,796

(3) There were no deposits admitted under Section 6603 of the Internal Revenue Service Code.

F. Consolidated Federal Income Tax Return - Not Applicable

G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

Notes to the Financial Statements

9. Income Taxes (Continued)

- 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 does not expect to be an "applicable corporation" for purposes of the CAMT.

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

- A. In 2013, the Company sponsored the formation of Blue Cross of Idaho Care Plus, Inc. for the purpose of transacting business in Idaho as a managed care organization. On October 1, 2014, the Company and Care Plus entered into an agreement to transfer the rights, title and interest in Medicare Advantage Plan contracts with the federal Centers for Medicare and Medicaid Services and the Medicare-Medicaid Coordinated Plan with the State of Idaho Department of Health and Welfare from the Company to Care Plus. This transaction was approved by the Company's Board of Directors in October 2014 and approved by the DOI in January 2016. Care Plus has been operating the transferred lines of business since October 2014.

In 2001, the Board of Directors established the Blue Cross of Idaho Foundation for Health, Inc. (the Foundation). The purpose of the Foundation is to promote health improvement initiatives to Idaho residents. The Company is reimbursed for certain administrative expenses incurred on behalf of the Foundation.

Effective January 1, 2024, Gemstone Holdings, Inc. (GHI) was formed as a mutual insurance holding company and the parent corporation of the Company. GHI is a not-for-profit mutual insurance holding company and the Company's policyholders are members of GHI. The formation was approved by the Idaho Department of Insurance, the Company's policyholders, and the Company's Board of Directors and the Company converted from a mutual insurance company to a stock insurance company. GHI became a licensee of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield plans. The Company issued dividends in the amount of \$14,600,000 to GHI during the year ended December 31, 2024.

Effective September 1, 2024, Granite Financial Holdings, LLC (Granite) was formed, with GHI as its sole member. GHI agreed to capitalize Granite with \$9,500,000 and the cash was transferred in October 2024.

- B. The Company receives monthly payments from Care Plus for administrative services as described below and in Note 10.E.

The Company holds surplus notes (the Notes) with a par value of \$50,000,000 issued by Care Plus on various dates between February 2013 and May 2015. In December 2023, upon approval from the DOI, Care Plus paid the Company accrued interest, for 2020 and 2021, in the amount of \$5,006,849. Unapproved interest on the Notes has not been accrued or received for 2022, 2023, or 2024.

Based on approval from the DOI, the Company has admitted the Notes with a carrying value of \$28,767,920 at December 31, 2024 as other invested assets. The market value of the Notes was determined using Level 3 inputs (see Note 20. A. for definitions), including input from an independent third party, and by incorporating assumptions about the anticipated term and yield a market participant would require in order to purchase such a security in the current market environment.

Care Plus had expenses of \$126,534,350 and \$108,273,721 during 2024 and 2023, respectively, related to an administrative services agreement with the Company. The increase in fees from prior year was due to a continued increase in member enrollment, which resulted in higher administrative costs. There was no change in the method of establishing the terms of intercompany transactions from that used in prior years.

- C. Transactions With Related Party Who Are Not Reported on Schedule Y - Not Applicable
- D. The Company reported a receivable of \$102,132,221 from Care Plus, a receivable of \$3,140,713 from GHI, a receivable of \$53,385 from Granite, and a receivable of \$71,537 from the Foundation at December 31, 2024. The intercompany receivable and payable balances between the companies meet the requirements for valid right of setoff established by SSAP No. 64, *Offsetting and Netting of Assets and Liabilities*, Paragraph 2. All intercompany receivables and payables for the current period are offset and reported net. Intercompany transactions with Care Plus consist of premium collected and claims paid by the Company, direct expenses paid by the Company, and administrative services performed by the Company, all on behalf of Care Plus. Intercompany transactions with GHI, Granite and the Foundation consist of administrative services performed by the Company on behalf of GHI, Granite and the Foundation.
- E. The Company has agreed to provide certain administrative services to Care Plus, GHI, Granite and the Foundation under separate administrative services agreements. Direct and indirect expenses incurred in providing services are charged and settled with Care Plus, GHI, Granite and the Foundation, pursuant to the administrative service agreements.
- F. The Company has guaranteed to the full extent of its assets, all of the contractual and financial obligations of Care Plus to its customers, in accordance with the Blue Cross Blue Shield Association (BCBSA) Guidelines to Administer the Controlled Affiliate License Agreement. The financial guarantee agreement was approved by the DOI in January 2016. At December 31, 2024 and 2023, Care Plus's assets exceeded its liabilities of \$544,288,392 and \$196,621,863, respectively, by a sufficient margin such that a liability, related to the financial guarantee, was not required to be recorded.
- G. Nature of Relationships that Could Affect Operations - Not Applicable
- H. Amount Deducted for Investment in Upstream Company - Not Applicable
- I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable
- J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable
- K. Foreign Subsidiary Value Using CARVM - Not Applicable
- L. Downstream Holding Company Value Using Look-Through Method - Not Applicable
- M. All SCA Investments - Not Applicable
- N. Investment in Insurance SCAs - Not Applicable
- O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

11. Debt

- A. On August 31, 2023, the Company entered into a Credit Agreement with Bank of America, N.A. The unsecured line of credit allows the Company to borrow up to \$25,000,000. The interest rate is based on Secured Overnight Financing Rate (SOFR) plus 10 basis points, plus the applicable rate of 90 basis points for the term of the loan. The rate at December 31, 2024 and December 31, 2023, was 5.49% and 6.38%, respectively. Under the terms of the agreement, the Company must maintain a minimum RBC ratio of 500% measured semi-annually. There were no borrowings or repayments during the year.

Notes to the Financial Statements

11. Debt (Continued)

The Company does not have an outstanding balance on the line of credit as of December 31, 2024. The Credit Agreement was terminated in February 2025.

B. FHLB (Federal Home Loan Bank) Agreements - Not Applicable

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

A. Defined Benefit Plan

The Company provides health and life insurance benefits for retired employees and, in the case of health insurance, for their eligible dependents. These benefits are provided once the employee becomes eligible by satisfying plan provisions, which include certain age and/or service and participation requirements. The Company's postretirement benefit plans, other than pension plans, are unfunded. Employees hired on or after March 1, 2003 are not eligible to participate in the retiree health plan. Employees retiring on or after January 1, 2010, are not eligible to participate in the retiree life plan.

The Company also provides a nonqualified Supplemental Executive Retirement Plan (SERP) to cover key employees meeting certain eligibility requirements. In November 2016, the Company amended the SERP to freeze all future benefit accruals effective January 1, 2017.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2024 and 2023:

(1) Change in benefit obligation

(a) Pension benefits - Not Applicable

(b) Postretirement benefits

	Overfunded		Underfunded	
	2024	2023	2024	2023
1. Benefit obligation at beginning of year	\$	\$	\$ 19,472,110	\$ 20,035,421
2. Service cost			102,864	117,735
3. Interest cost			946,415	1,012,310
4. Contribution by plan participants				8,692
5. Actuarial gain / loss			(2,120,381)	(904,394)
6. Foreign currency exchange rate changes				
7. Benefits paid			(837,563)	(797,654)
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	\$	\$	\$ 17,563,445	\$ 19,472,110

(c) Special or contractual benefits per SSAP No. 11 - Not Applicable

(2) Change in plan assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2024	2023	2024	2023	2024	2023
a. Fair value of plan assets at beginning of year	\$ -	\$ -	\$	\$	\$	\$
b. Actual return on plan assets						
c. Foreign currency exchange rate changes						
d. Reporting entity contribution						
e. Plan participants' contributions						
f. Benefits paid						
g. Business combinations, divestitures and settlements						
h. Fair value of plan assets at end of year	\$ -	\$ -	\$	\$	\$	\$

(3) Funded status

	Pension Benefits		Postretirement Benefits	
	2024	2023	2024	2023
a. Components				
1. Prepaid benefit costs	\$	\$	\$	\$
2. Overfunded plan assets				
3. Accrued benefit costs			31,286,877	33,083,940
4. Liability for pension benefits			(13,723,432)	(13,611,830)
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	\$	\$	\$	\$
2. Liabilities recognized			17,563,445	19,472,110
c. Unrecognized liabilities	\$	\$	\$	\$

Notes to the Financial Statements

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

(4) Components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2024	2023	2024	2023	2024	2023
a. Service cost	\$	\$	\$ 102,864	\$ 117,735	\$	\$
b. Interest cost			946,415	1,012,310		
c. Expected return on plan assets						
d. Transition asset or obligation						
e. Gains and losses			(1,712,032)	(1,748,986)		
f. Prior service cost or credit			(296,747)	(296,747)		
g. Gain or loss recognized due to a settlement or curtailment						
h. Total net periodic benefit cost	\$	\$	\$ (959,500)	\$ (915,688)	\$	\$

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

	Pension Benefits		Postretirement Benefits	
	2024	2023	2024	2023
a. Items not yet recognized as a component of net periodic cost - prior year	\$ -	\$ -	\$ (13,611,830)	\$ (14,753,169)
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			296,747	296,747
e. Net gain and loss arising during the period			(2,120,381)	(904,394)
f. Net gain and loss recognized			1,712,032	1,748,986
g. Items not yet recognized as a component of net periodic cost - current year	\$ -	\$ -	\$ (13,723,432)	\$ (13,611,830)

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

	Pension Benefits		Postretirement Benefits	
	2024	2023	2024	2023
a. Net transition asset or obligation	\$	\$	\$	\$
b. Net prior service cost or credit			(2,797,517)	(3,094,264)
c. Net recognized gains and losses			(10,925,915)	(10,517,566)

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

Weighted-average assumptions used to determine net periodic benefit cost as of period-end:	2024	2023
a. Weighted-average discount rate	5.050 %	5.250 %
b. Expected long-term rate of return on plan assets	%	%
c. Rate of compensation increase	%	%
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	%	%
Weighted-average assumptions used to determine projected benefit obligations as of period-end:	2024	2023
e. Weighted-average discount rate	5.750 %	5.050 %
f. Rate of compensation increase	%	%
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	%	%

(8) Accumulated benefit obligation - Not Applicable

(9) The Company's postretirement health care benefit plan assumes a health care cost trend rate of 5.0% for individuals less than 65 years of age and 5.0% for individuals over 65 for 2024. Both rates are expected to remain at 5.0% for the following year and thereafter.

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

Year	Amount
a. 2025	\$ 970,000
b. 2026	1,019,000
c. 2027	1,076,000
d. 2028	1,092,000
e. 2029	1,150,000
f. 2030 through 2034	6,070,000

(11) Contributions expected to be paid to the plan during 2025 are \$970,000.

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

(13) As permitted under paragraph 43 of SSAP 92, the amortization of any prior service cost is determined using a straight-line amortization of the cost over the average remaining service period of employees expected to receive benefits under the program.

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

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

Notes to the Financial Statements

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

- (16) Significant changes in the benefit obligation or plan assets not otherwise disclosed - Not Applicable
- (17) Funded status of the plan and surplus impact - Not Applicable

- B. Investment Policies and Strategies of Plan Assets - Not Applicable
- C. Fair Value of Each Class of Plan Assets - Not Applicable
- D. Expected Long-Term Rate of Return for the Plan Assets - Not Applicable
- E. Defined Contribution Plans

The Company has a 401(k) salary deferral plan that covers all employees from date of hire, who have attained 18 years of age. The Company made matching contributions equal to 100% of the employee's deferral up to 3% of the employee's annual compensation plus 50% of the employee's next 2% of deferred compensation. The Company's matching contributions were \$5,703,405 and \$5,272,080 for the years ended December 31, 2024 and 2023, respectively. Employees receive a 2.5% non-contributory employer contribution based on eligible earnings, if they are employed on the last day of the year. The Company's contribution to the 401(k) plan for this benefit was \$4,291,409 and \$3,989,142 for the years ended December 31, 2024 and 2023, respectively. A portion of the non-elective contribution was funded using excess assets from the termination of the pension plan.

- F. Multiemployer Plans - Not Applicable
- G. Consolidated/Holding Company Plans - Not Applicable
- H. Postemployment Benefits and Compensated Absences
Postemployment benefits and compensated absences for employees are recorded as accrued liabilities.
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - Not Applicable

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

- A. The Company is authorized to issue 100 shares of common stock with a par value of \$10,000 per share. On January 1, 2024, all 100 shares were issued to GHI, as its sole member, and all shares remain outstanding as of December 31, 2024.
- B. Dividend Rate of Preferred Stock - Not Applicable
- C. All dividend payments require DOI notification prior to issuance. Extraordinary dividend payments require DOI approval.
- D. Ordinary dividends of \$100,000 on February 16, 2024, and \$14,500,000 on August 13, 2024, were paid by the Company.
- E. Company Profits Paid as Ordinary Dividends - Not Applicable
- F. Surplus Restrictions - Not Applicable
- G. Surplus Advances - Not Applicable
- H. Stock Held for Special Purposes - Not Applicable
- I. At December 31, 2024, special surplus funds were segregated on the balance sheet for the purpose of purchasing a surplus note to be issued by Care Plus.
- J. Unassigned Funds (Surplus)
The portion of unassigned funds (surplus) represented by cumulative unrealized gains at December 31, 2024 is \$34,533,726
- K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
- M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments				
(1) Commitments or contingent commitment(s) to an SCA entity, joint venture, partnership, or limited liability company				
The Company has private equity funding commitments related to existing investments totaling \$6,988,398 pursuant to the terms of capital funding agreements as of December 31, 2024.				
The Company has guaranteed all of the contractual and financial obligations of its affiliate, Care Plus, totaling \$544,288,392 as of December 31, 2024 as described in Note 10. F.				
(2) Nature and circumstances of guarantee				
(1)	(2)	(3)	(4)	(5)
			Maximum Potential Amount of Future Payments (Undiscounted) the Guarantor Could be Required to Make Under the Guarantee	Current Status of Payment or Performance Risk of Guarantees
Nature and Circumstances of Guarantee and Key Attributes	Liability Recognition of Guarantee	Ultimate Financial Statement Impact if Action Under the Guarantee is Required		
Guarantee the indebtedness and obligations of affiliate, Care Plus, to comply with BCBSA Guidelines for Controlled Affiliates	\$	Ultimate impact to operations of \$544,604,130	\$ 544,288,392	
Total	\$		\$ 544,288,392	

The Company is exempt from liability recognition as the guarantee is considered an "unlimited" intercompany or related party guarantee pursuant to SSAP No. 5R, paragraph 18.g.

Notes to the Financial Statements

14. Liabilities, Contingencies and Assessments (Continued)

(3) Aggregate compilation of guarantee obligations	
a. Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees (should equal total of Column 4 for (2) above)	\$... 544,288,392
b. Current liability recognized in F/S:	
1. Noncontingent liabilities	\$
2. Contingent liabilities	.....
c. Ultimate financial statement impact if action under the guarantee is required	
1. Investments in SCA	\$
2. Joint venture	.....
3. Dividends to stockholders (capital contribution)	.....
4. Expense	.....
5. Other	..... 544,288,392
6. Total (1+2+3+4+5) (should equal (3)a)	<u><u>\$... 544,288,392</u></u>

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

The Company is a defendant in multiple lawsuits that were initially filed in 2012 against the Blue Cross Blue Shield Association (BCBSA) and the BCBSA's licensees (Blue plans). The lawsuits involve several classes of subscriber and provider plaintiffs who generally allege that BCBSA and the Blue plans have violated the Sherman Antitrust Act and related state laws. The lawsuits were consolidated into a single multi-district litigation, *In re: Blue Cross Blue Shield Antitrust Litigation (MDL #2406)*, which is pending in the U.S. District Court for the Northern District of Alabama. In April 2018, the court issued a decision determining that certain challenged conduct when aggregated would be analyzed under a per se standard of review, while other challenged conduct would be analyzed under the rule of reason standard of review. The appellate court declined to review this decision.

BCBSA and the Blue plans executed a settlement agreement with the subscriber plaintiffs ("Subscriber Settlement Agreement") in October 2020. The court granted preliminary approval of the settlement in November 2020. A final approval hearing was held in October 2021. A final approval order was entered in August 2022, which recognized that the elimination of the national best-efforts rule (NBE) means that exclusive service areas (ESAs) now stand alone and are not necessarily subject to the per se standard. The court also referred to its new standard of review order, entered contemporaneously in the provider case, holding that the standard of review applicable to ESAs alone is the rule of reason.

BCI paid the remainder of its share of the Subscriber Settlement Agreement into escrow in the amount of \$17,317,864.62, in September 2022, after an initial payment of approximately \$3 million. BCI's total contribution to the settlement is \$20,369.864.62. In October 2023, a three-judge panel of the Eleventh Circuit Court of Appeals denied certain appeals that were filed and issued an order affirming the settlement. The Subscriber Settlement Agreement became effective in June 2024, when the U.S. Supreme Court denied appellants' petitions for certiorari. The non-monetary relief took effect in August 2024, except for the second blue bid provision that became effective in September 2024. In September 2024, subscriber plaintiffs petitioned the court for replenishment of the Notice and Administration Fund established under the Subscriber Settlement Agreement. In November 2024, the parties arbitrated the issue and agreed that defendants would replenish the Notice and Administration Fund in the amount of \$33,783,979.45. BCI paid \$257,752.00, its share of the replenishment amount, in January 2025.

With regard to the provider case in *MDL #2406*, in March 2021, the court terminated provider plaintiffs' October 2020 motion for class certification, requiring the parties to file summary judgment motions on the applicable standard of review before the Court ruled on class certification. In August 2022, the court granted in part and denied in part defendants' motion for summary judgment on the standard of review. The court held that from April 2021 forward, after elimination of NBE, ESAs alone are not per se illegal and provider plaintiffs' market allocation conspiracy claims will be evaluated under the rule of reason. The court held that provider plaintiffs' damage claims for the time period from 2008 to April 2021, when NBE and ESAs were both in effect, will continue to be subject to the per se standard of review. In December 2023, the court denied provider plaintiffs' motion for summary judgment on defendants' single entity defense and defendants' motion for summary judgment on provider plaintiffs' damages as time-barred and speculative. In January 2024, the court denied defendants' motion for summary judgment as to (a) all claims by providers other than general acute care hospitals and (b) any claims based on the Blue system rules other than ESAs or BlueCard. The court also denied provider plaintiffs' motion for partial summary judgment on defendants' common law trademark rights. While the parties completed supplemental class certification briefing in March 2023, the court has not ruled on provider plaintiffs' motion for class certification.

In September 2024, BCBSA and the Blue plans approved a settlement agreement with the provider plaintiffs ("Provider Settlement Agreement"), and provider plaintiffs filed a motion for preliminary approval in October 2024. After a preliminary approval hearing in November 2024, the court granted preliminary approval in December 2024. The deadline for defendants to fund the Notice and Administration amount of \$100 million was January 3, 2025. BCI paid its share of the fund in the amount of \$722,812.00 in January 2025. If the court grants final approval of the Provider Settlement Agreement, defendants will be required to make an additional monetary settlement payment and provide certain non-monetary relief. BCI's share of the monetary amount is estimated to be \$20.3 million, which amount BCI accrued in June 2024. Non-monetary terms include (i) expansion of certain out of area contracting opportunities, (ii) implementation of certain prompt pay commitments; and (iii) enhancement to certain technological features of the BlueCard program.

The Company is a defendant in several cases pending in the U.S. District Court for the Northern District of Alabama filed by certain subscribers who opted out of the subscriber settlement. The Company potentially has additional loss exposure in these cases, but it is not possible at this time to reasonably estimate the amount or range of exposure. The Company intends to vigorously defend this opt-out litigation. The ultimate outcome cannot presently be determined.

The Company is involved in other litigation, regulatory investigations, and commercial disputes arising in the ordinary course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Company's financial position, results from operations or cash flow.

No other accrued liabilities were recorded on the accompanying balance sheets for litigation, regulatory or business environment matters as of December 31, 2024.

Notes to the Financial Statements

15. Leases

A. Lessee Operating Lease

(1) Leasing arrangements

- (a) The Company leases office space and equipment under various noncancelable operating lease agreements. Certain office leases have renewal options and require contingent payments for increases in property taxes, insurance and other costs in excess of a base year amount. Total rent expense, including home office rent of approximately \$6,687,711 and \$6,687,711, was \$7,936,913 and \$7,995,501, for the years ended December 31, 2024 and 2023, respectively.
- (b) Rental payment contingencies - Not Applicable
- (c) Terms of renewal or purchase options and escalation clauses - Not Applicable
- (d) Restrictions imposed by lease agreements - Not Applicable
- (e) Early termination of lease agreements - Not Applicable

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

(a) Minimum aggregate rental commitments at year end

	Year Ending December 31	Operating Leases
1.	2025	\$ 1,140,976
2.	2026	736,399
3.	2027	557,621
4.	2028	377,749
5.	2029	194,232
6.	Thereafter	
7.	Total (sum of 1 through 6)	<u>\$ 3,006,977</u>

(b) There were no material noncancelable subleases as of December 31, 2024.

(3) The Company is not involved in sales-leaseback transactions.

B. Lessor Leases - Not Applicable

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

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

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

A. ASO Plans - Not Applicable

B. ASC Plans

The gain (loss) from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans were as follows during 2024:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 1,564,456,033	\$	\$ 1,564,456,033
b. Gross administrative fees accrued	71,181,163		71,181,163
c. Other income or expenses (including interest paid to or received from plans)	46,036,073		46,036,073
d. Gross expenses incurred (claims and administrative) (a+b+c)	1,681,673,270		1,681,673,270
e. Total net gain or loss from operations	<u>\$ (31,253,807)</u>	<u>\$</u>	<u>\$ (31,253,807)</u>

The Company recorded a self-funded loss contingency reserve in the amount of \$73,200,000 for the year ended December 31, 2024.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract - Not Applicable

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

20. Fair Value Measurements

A. Fair Value Measurement

SSAP No. 100, *Fair Value Measurements*, establishes a fair value hierarchy which the Company uses to rank investment fair value assumptions based on their observability.

- Level 1 – Quoted prices for identical instruments traded in active markets. Level 1 investments include debt and equity securities that are traded in an active exchange market.
- Level 2 – Quoted prices for similar instruments traded in active markets, quoted prices for identical or similar instruments in inactive markets, nonquoted prices that are observable (for example, interest rates), and nonquoted prices that are derived from, or corroborated by, observable market data. Level 2 investments include debt securities, asset-backed securities, mortgage-backed securities and equity securities.
- Level 3 – Nonquoted prices that are not directly observable. Level 3 investments include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Notes to the Financial Statements

20. Fair Value Measurements (Continued)

(1) Fair value at reporting date

Description for each class of asset or liability		Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a.	Assets at fair value					
	Bonds, industrial and misc.	\$	\$ 259,952	\$	\$	\$ 259,952
	Bonds, SVO-Identified funds	607,462				607,462
	Bonds, bank loans		11,383,661	18,309,688		29,693,349
	Perpetual preferred stock, industrial and misc.	684,770				684,770
	Common stock, industrial and misc.	56,113,897		94,455		56,208,353
	Common stock, mutual funds	65,728,947	3,780,589			69,509,537
	Common stock, exchange traded funds	1,282,247				1,282,247
	Other long term assets, Any Other Class of Assets - Unaffiliated				19,037,514	19,037,514
	Total assets at fair value/NAV	\$ 124,417,324	\$ 15,424,202	\$ 18,404,143	\$ 19,037,514	\$ 177,283,183
b.	Liabilities at fair value					
	Total liabilities at fair value	\$	\$	\$	\$	\$

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

Description	Beginning balance as of 01/01/2024	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 12/31/2024
a. Assets										
Bonds	\$ 20,103,314	\$ 3,594,253	\$	\$ (775,674)	\$ 517,349	\$ 407,264	\$	\$ (5,536,817)	\$	\$ 18,309,688
Common stock	81,472			6,508	7,046	-	-	(570)	-	94,455
Preferred stock	185,096			(55,332)	(129,051)	-	-	(713)	-	-
Total assets	\$ 20,369,882	\$ 3,594,253	\$	\$ (824,498)	\$ 395,344	\$ 407,264	\$ -	\$ (5,538,100)	\$ -	\$ 18,404,143
b. Liabilities										
Total liabilities	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

(3) Any transfers between levels are reported as of the beginning of the reporting period.

(4) Fair values for the Company's fixed maturity securities in Level 2 are based on prices provided by its investment managers and custodian banks. The Company's fixed maturity securities portfolio is highly liquid, which allows for the portfolio to be valued through third-party pricing services using market and matrix pricing.

Fair values for the Company's equity securities in Level 2 are based on prices provided by readily observable market quotations, when available.

Private placement and other equity securities in Level 3, where a market price quotation is not available, are valued using methods such as independent appraisals.

(5) Derivatives - Not Applicable

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 381,073,104	\$ 382,738,462	\$ 39,554,381	\$ 261,937,395	\$ 79,581,328	\$	\$
Common stock	127,000,136	127,000,137	123,125,092	3,780,589	94,455		
Preferred stock	1,853,499	1,835,421	1,853,499	-	-		
Short-term investments	5,383,088	5,382,056	5,383,088				
Other invested assets	19,037,514	19,037,514	-	-	-	19,037,514	

D. Not Practicable to Estimate Fair Value - Not Applicable

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

21. Other Items

A. Unusual or Infrequent Items

In December 2024, the Company submitted a Risk Based Capital Plan (RBC Plan) with the DOI. The RBC Plan is a joint plan with the Company and Care Plus to maintain an agreed upon minimum level of capitalization and provide for a merger of the Company and Care Plus, whereby the Company would be the surviving insurer. The merger is expected to occur in 2025, contingent on its feasibility and practicality. The DOI provided a written order to proceed with the submitted RBC Plan.

B. Troubled Debt Restructuring - Not Applicable

C. Other Disclosures - Not Applicable

D. Business Interruption Insurance Recoveries - Not Applicable

E. State Transferable and Non-Transferable Tax Credits - Not Applicable

F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

G. Retained Assets - Not Applicable

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

Notes to the Financial Statements

21. Other Items (Continued)

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	
(1)	Amount of admitted balance that could be realized from an investment vehicle.....	\$ 680,412
(2)	Percentage bonds.....	88.000 %
(3)	Percentage stocks.....	12.000 %
(4)	Percentage mortgage loans.....	%
(5)	Percentage real estate.....	%
(6)	Percentage cash and short-term investments.....	%
(7)	Percentage derivatives.....	%
(8)	Percentage other invested assets.....	%

22. Events Subsequent

Subsequent events have been considered through February 26, 2025, for the statutory statement available for issue on February 26, 2025.

Type I – Recognized Subsequent Events:

In February 2025, the Company purchased a surplus note from Care Plus of \$273,000,000.

Type II – Nonrecognized Subsequent Events:

The Company's Credit Agreement with Bank of America, N.A., as described in Note 11.A., was terminated in February 2025.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1)

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

Yes () No (X)
- (2)

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

Yes () No (X)

Section 2 – Ceded Reinsurance Report – Part A

- (1)

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

Yes () No (X)
- (2)

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

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1)

What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ 1,107,062
- (2)

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

Yes () No (X)

- B. Uncollectible Reinsurance - Not Applicable
- C. Commutation of Reinsurance Reflected in Income and Expenses - Not Applicable
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable
- E. Reinsurance Credit - Not Applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate

The Company estimates accrued retrospective premium adjustments for its group health insurance business through a mathematical approach using an algorithm of the Company’s underwriting rules and experience rating practices.

Notes to the Financial Statements

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

B. Method Used to Record

Accrued retrospective premiums are recorded as an adjustment to earned premiums.

C. Amount and Percent of Net Retrospective Premiums

The amount of net premiums subject to retrospective rating features was \$1,071,018,680 and \$1,258,136,877, which represented 91.1% and 92.8% of the total net premiums written for the years ended December 31, 2024 and 2023, respectively.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

	(1)	(2)	(3)	(4)	(5)
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$ 1,464,982	\$	\$	\$	\$ 1,464,982
(2) Medical loss ratio rebates paid	3,223,534				3,223,534
(3) Medical loss ratio rebates unpaid	2,142,484				2,142,484
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 2,142,484
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$ 1,448,999	\$	\$	\$	\$ 1,448,999
(8) Medical loss ratio rebates paid	2,441,280				2,441,280
(9) Medical loss ratio rebates unpaid	1,150,204				1,150,204
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$ 1,150,204

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

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

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

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

	Amount
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to the ACA risk adjustment (including high-risk pool payments)	\$ 3,909,163
Liabilities	
2. Risk adjustment user fees payable for ACA risk adjustment	\$ 107,496
3. Premium adjustments payable due to ACA risk adjustment (including high-risk pool premium)	10,065,888
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA risk adjustment	\$ (1,652,456)
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	(105,480)
(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	

				Differences		Adjustments		Unsettled Balances as of the Reporting Date		
Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		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)	Receivable	(Payable)	Ref
a. Permanent ACA Risk Adjustment Program										
1. Premium adjustments receivable (including high risk pool payments)	\$ 7,054,147	\$ 8,674,016		\$ (1,619,869)		\$ 1,619,869		A	\$ -	\$ -
2. Premium adjustments (payable) (including high risk pool premium)	(13,132,920)		(10,248,519)		(2,884,401)		2,884,401	B		-
3. Subtotal ACA Permanent Risk Adjustment Program	\$ 7,054,147	\$ (13,132,920)	\$ 8,674,016	\$ (10,248,519)	\$ (1,619,869)	\$ 1,619,869	\$ 2,884,401		\$ -	\$ -

Explanations of Adjustments
A: Adjust for actual amount received.
B: Adjust for actual amount paid.

Notes to the Financial Statements

25. Change in Incurred Claims and Claim Adjustment Expenses

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

Reserves as of December 31, 2023 for unpaid insured claims and unpaid claims adjustment expenses were \$114.5 million, including accrued medical incentive pool of \$5.5 million, net of gross healthcare receivables of \$55.5 million. As of December 31, 2024, \$87.3 million has been paid for expenses attributable to insured events of prior years. Reserves remaining for prior years were \$1.4 million as of December 31, 2024. The re-estimation of unpaid insured claims, unpaid claims adjustment expenses and accrued medical incentive pool, net of gross healthcare receivables, for prior years based on the latest information known regarding individual claims, as well as the ongoing analysis of recent loss development trends, resulted in a favorable prior year development of \$25.8 million since December 31, 2023.

B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Claims and Claim Adjustment Expenses

There were no significant changes in the methodology or assumptions used in calculating the liability for unpaid losses and loss adjustment expenses from prior year.

26. Intercompany Pooling Arrangements - Not Applicable

27. Structured Settlements - Not Applicable

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2024	\$ 30,113,418	\$ 28,971,747	\$	\$	\$
09/30/2024	29,955,833	29,101,563	6,020,633		
06/30/2024	39,722,819	37,933,835	7,580,872	28,648,318	
03/31/2024	36,134,020	36,566,296	7,158,410	28,807,561	308,789
12/31/2023	39,201,357	36,676,359	7,435,633	29,503,383	922,537
09/30/2023	33,105,081	36,088,811	7,816,533	26,468,986	840,769
06/30/2023	32,103,045	34,622,117	6,596,567	24,787,463	1,454,444
03/31/2023	29,785,869	32,897,685	2,580,754	27,422,905	711,074
12/31/2022	33,121,307	32,609,664	5,824,765	26,059,583	539,738
09/30/2022	29,442,142	30,587,786	5,633,984	24,784,758	284,154
06/30/2022	27,924,045	29,689,133	6,172,850	23,767,978	637,894
03/31/2022	25,457,219	27,965,861	4,022,976	22,914,465	1,474,633

B. Risk-Sharing Receivables

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable				Actual Risk Sharing Amounts Received			
		As Estimated in the Prior Year	As Estimated in the Current Year	Billed	Not Yet Billed	In Year Billed	First Year Subsequent	Second Year Subsequent	All Other
2024	2024	\$ 262,130	\$	\$ 188,138	\$	\$ 188,138	\$	\$	\$
	2025								
2023	2023	1,114,324		1,010,809		1,010,809			
	2024		262,130						
2022	2022	193,120		61,444		61,444			
	2023		1,114,324						

The Company does not net receivable and payable balances with the same provider.

29. Participating Policies - Not Applicable

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves: \$—
2. Date of the most recent evaluation of this liability: 12/31/2024
3. Was anticipated investment income utilized in the calculation? YES

31. Anticipated Salvage and Subrogation

The Company took into account anticipated salvage and subrogation in its calculation of the liability for unpaid claims/losses and reduced such liability by \$3,110,323 and \$2,871,713 for the years ended December 31, 2024 and 2023, respectively.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

GENERAL

1.1.

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A, 2, and 3.

YES

1.2.

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

YES

1.3.

State Regulating?

Idaho

1.4.

Is the reporting entity publicly traded or a member of a publicly traded group?

NO

1.5.

If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

2.1.

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

YES

2.2.

If yes, date of change:

01/01/2024

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).

06/22/2023

3.4.

By what department or departments?
Idaho Department of Insurance

3.5.

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

N/A

3.6.

Have all of the recommendations within the latest financial examination report been complied with?

N/A

4.1.

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11.

sales of new business?

NO

4.12.

renewals?

NO

4.2.

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21.

sales of new business?

NO

4.22.

renewals?

NO

5.1.

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If yes, complete and file the merger history data file with the NAIC.

NO

5.2.

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

6.1.

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

NO

6.2.

If yes, give full information

7.1.

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

NO

7.2.

If yes,

7.21.

State the percentage of foreign control

%

7.22.

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1	2
Nationality	Type of Entity

8.1.

Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?

NO

8.2.

If response to 8.1 is yes, please identify the name of the DIHC.

8.3.

Is the company affiliated with one or more banks, thrifts or securities firms?

NO

8.4.

If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
		NO	NO	NO	NO

- 8.5. Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company?.....NO
- 8.6. If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule?.....NO
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Eide Bailly 800 Nicollet Mall #1300 Minneapolis, MN 55402
- 10.1. Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?.....NO
- 10.2. If the response to 10.1 is yes, provide information related to this exemption:
- 10.3. Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?.....NO
- 10.4. If the response to 10.3 is yes, provide information related to this exemption:
- 10.5. Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?YES
- 10.6. If the response to 10.5 is no or n/a, please explain.
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Erik Wheeler, Director, Actuarial Services, Blue Cross of Idaho 3000 E. Plne Ave. Meridian, ID 83642
- 12.1. Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?.....YES
- 12.11 Name of real estate holding company
Barings Core Property Fund LP, UBS Trumbull Property Fund LP, Harrison St Core Property Fund, Invesco US Income Fund, and Prologis Targeted US Logistics Fund
- 12.12 Number of parcels involved.....1,338
- 12.13 Total book / adjusted carrying value.....\$ 31,507,869
- 12.2. If yes, provide explanation
BCI indirectly holds real estate through the five funds listed above.
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1. What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2. Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?.....
- 13.3. Have there been any changes made to any of the trust indentures during the year?
- 13.4. If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?
- 14.1. Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?.....YES
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11. If the response to 14.1 is no, please explain:
- 14.2. Has the code of ethics for senior managers been amended?.....NO
- 14.21. If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3. Have any provisions of the code of ethics been waived for any of the specified officers?.....NO
- 14.31. If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1. Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?.....NO
- 15.2. If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	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?
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
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
- YES
- YES

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- 20.1. Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers
- 20.12 To stockholders not officers
- 20.13 Trustees, supreme or grand (Fraternal only)
- 20.2. Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers
- 20.22 To stockholders not officers
- 20.23 Trustees, supreme or grand (Fraternal only)
- 21.1. Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- 21.2. If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others
- 21.22 Borrowed from others
- 21.23 Leased from others
- 21.24 Other
- 22.1. Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- 22.2. If answer is yes:
- 22.21 Amount paid as losses or risk adjustment
- 22.22 Amount paid as expenses
- 22.23 Other amounts paid
- 23.1. Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- 23.2. If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- 24.1. Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days?
- 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.
- NO
- NO
- YES
- 3,140,713
- NO

1	2
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).....
- 25.02. If no, give full and complete information, relating thereto
- 25.03. For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 25.04. For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions.....
- 25.05. For the reporting entity's securities lending program, report amount of collateral for other programs.....
- 25.06. Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?.....
- 25.07. Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?.....
- 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
-
-
- \$
- \$
- N/A
- N/A
- N/A

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

25.09. For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:.....
25.091. Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....\$.....
25.092. Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....\$.....
25.093. Total payable for securities lending reported on the liability page.....\$.....

26.1. Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03).....YES

26.2. If yes, state the amount thereof at December 31 of the current year:
26.21. Subject to repurchase agreements.....\$.....
26.22. Subject to reverse repurchase agreements.....\$.....
26.23. Subject to dollar repurchase agreements.....\$.....
26.24. Subject to reverse dollar repurchase agreements.....\$.....
26.25. Placed under option agreements.....\$.....
26.26. Letter stock or securities restricted as to sale - excluding FHLB Capital Stock.....\$.....
26.27. FHLB Capital Stock.....\$.....
26.28. On deposit with states.....\$.....1,051,386.....
26.29. On deposit with other regulatory bodies.....\$.....
26.30. Pledged as collateral - excluding collateral pledged to an FHLB.....\$.....
26.31. Pledged as collateral to FHLB - including assets backing funding agreements.....\$.....
26.32. Other.....\$.....

26.3. For category (26.26) provide the following:

1	2	3
Nature of Restriction	Description	Amount
		\$.....

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

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

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

27.3. Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity?.....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.....NO
27.42 Permitted accounting practice.....NO
27.43 Other accounting guidance.....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:.....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

28.2. If yes, state the amount thereof at December 31 of the current year.....\$.....500,000.....

29. Excluding items in Schedule E- Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the *NAIC Financial Condition Examiners Handbook*?.....YES

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

1	2
Name of Custodian(s)	Custodian's Address
US Bank.....	Boise, ID.....
Morgan Stanley.....	New York, NY.....
Wells Fargo.....	Sioux Falls, SD.....

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

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

29.03. Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?.....NO

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

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

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

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

1	2
Name of Firm or Individual	Affiliation
Blackrock Financial Management Inc.	U
Pacific Investment Management Company LLC	U
PineBridge Investments LLC	U
Virtus Fixed Income Advisers, LLC	U
State Street Global Advisors Funds Distributors	U
Paul G Zurlo, "handle securities"	I
David M Ward, "handle securities"	I
Kaye Woods, "handle securities"	I
Peter P Didio, "handle securities"	I

29.0597. For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity's invested assets? YES

29.0598. For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? YES

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

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
107105	Blackrock Financial Management Inc.	549300LVXYIVJKE13M84	SEC	NO
104559	Pacific Investment Management Company LLC	549300KGPYQZXGMYYN38	SEC	NO
105926	PineBridge Investments LLC	CLDVY8VY4GNT81Q4VM57	SEC	NO
146029	Virtus Fixed Income Advisers, LLC	549300L7I4W19C7JV575	SEC	NO
30107	State Street Global Advisors Funds Distributors	571474TGEMMWANRLN572	FINRA & SEC	NO

30.1. Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? YES

30.2. If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
256206103	DODGE & COX INTNL STCK I	\$ 20,856,061
412295107	HARDING LOEVNER:IE I	19,923,513
55273E640	MFS EMERG MKT DEBT I	10,759,397
922040100	VANGUARD INSTL INDX INST	10,033,215
922031745	VANGUARD INFL-PROT INST	4,156,761
25159L103	SPDR S&P 500	577,301
78462F240	ISHARES:MSCI ACWI XUS	341,797
464288655	ISHARES:RUSS 2000 ETF	173,164
30.2999 TOTAL		\$ 66,821,209

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book / Adjusted Carrying Value Attributable to the Holding	Date of Valuation
DODGE & COX INTNL STCK I	Johnson Controls International PLC	\$ 709,106	12/31/2024
DODGE & COX INTNL STCK I	Holcim AG	646,538	12/31/2024
DODGE & COX INTNL STCK I	Sanofi SA	625,682	12/31/2024
DODGE & COX INTNL STCK I	BNP Paribas SA	604,826	12/31/2024
DODGE & COX INTNL STCK I	UBS Group AG	583,970	12/31/2024
HARDING LOEVNER:IE I	Taiwan Semiconductor Manufacturing Co Ltd	777,017	12/31/2024
HARDING LOEVNER:IE I	DBS Group Holdings Ltd	777,017	12/31/2024
HARDING LOEVNER:IE I	HDFC Bank Limited	657,476	12/31/2024
HARDING LOEVNER:IE I	Chugai Pharmaceutical Co Ltd	617,629	12/31/2024
HARDING LOEVNER:IE I	Manulife Financial Corp.	617,629	12/31/2024
MFS EMERG MKT DEBT I	US Treasury Note 2.75% AUG 15 32	301,263	12/31/2024
MFS EMERG MKT DEBT I	Oman Government International Bond RegS 6.75% JAN 17 48	130,189	12/31/2024
MFS EMERG MKT DEBT I	Argentine Republic Government International Bond FRB JUL 09 41	112,974	12/31/2024

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book / Adjusted Carrying Value Attributable to the Holding	Date of Valuation
MFS EMERG MKT DEBT I.....	Argentine Republic Government International Bond FRB JUL 09 35.....	103,290	12/31/2024
MFS EMERG MKT DEBT I.....	Oman Government International Bond RegS 7% JAN 25 51.....	97,911	12/31/2024
VANGUARD INSTL INDX INST.....	Apple Inc.....	761,120	12/31/2024
VANGUARD INSTL INDX INST.....	NVIDIA Corp.....	662,393	12/31/2024
VANGUARD INSTL INDX INST.....	Microsoft Corp.....	630,186	12/31/2024
VANGUARD INSTL INDX INST.....	Amazon.com Inc.....	412,867	12/31/2024
VANGUARD INSTL INDX INST.....	Facebook Inc. Class A.....	256,650	12/31/2024
VANGUARD INFL-PROT INST.....	TIPS 1.25% 4/15/2028.....	166,686	12/31/2024
VANGUARD INFL-PROT INST.....	TIPS 1.88% 7/15/2034.....	159,204	12/31/2024
VANGUARD INFL-PROT INST.....	TIPS 1.75% 1/15/2034.....	151,722	12/31/2024
VANGUARD INFL-PROT INST.....	TIPS 1.13% 1/15/2033.....	141,330	12/31/2024
VANGUARD INFL-PROT INST.....	TIPS 1.38% 7/15/2033.....	140,499	12/31/2024
SPDR S&P 500 ETF.....	Apple Inc.....	43,876	12/31/2024
SPDR S&P 500 ETF.....	NVIDIA Corporation.....	38,183	12/31/2024
SPDR S&P 500 ETF.....	Microsoft Corp.....	36,325	12/31/2024
SPDR S&P 500 ETF.....	Amazon.com Inc.....	23,798	12/31/2024
SPDR S&P 500 ETF.....	Meta Platforms Inc.....	14,795	12/31/2024
ISHARES:MSCI ACWI XUS.....	Taiwan Semiconductor Manufacturing Co Ltd.....	10,630	12/31/2024
ISHARES:MSCI ACWI XUS.....	Tencent Holdings LTD.....	4,614	12/31/2024
ISHARES:MSCI ACWI XUS.....	ASML Holding NV.....	3,691	12/31/2024
ISHARES:MSCI ACWI XUS.....	Novo Nordisk A/S.....	3,691	12/31/2024
ISHARES:MSCI ACWI XUS.....	SAP SE.....	3,350	12/31/2024
ISHARES:RUSS 2000 ETF.....	FTAI Aviation Ltd.....	952	12/31/2024
ISHARES:RUSS 2000 ETF.....	Sprouts Farmers Market Inc.....	831	12/31/2024
ISHARES:RUSS 2000 ETF.....	Insmed Inc.....	762	12/31/2024
ISHARES:RUSS 2000 ETF.....	Vaxcyte Inc.....	658	12/31/2024
ISHARES:RUSS 2000 ETF.....	Applied Industrial Technologies Inc.....	606	12/31/2024

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.....	\$ 389,120,518	\$ 387,456,193	\$ (1,664,325)
31.2. Preferred Stocks.....	1,835,421	1,853,499	18,078
31.3. Totals.....	\$ 390,955,939	\$ 389,309,692	\$ (1,646,247)

31.4. Describe the sources or methods utilized in determining the fair values:
FMV supplied by investment managers/advisors and custodians listed in 29.05 and 29.01, respectively, above.

32.1. Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?.....YES.....

32.2. If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?.....YES.....

32.3. If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

33.1. Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?.....YES.....

33.2. If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
Has the reporting entity self-designated 5GI securities?.....YES.....

35. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) for private letter rating (PLR) securities and the following elements of each self-designated PLGI security:.....
a. The security was either:
i. issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or
ii. issued from January 1, 2018 to December 31, 2021 and subject to a confidentiality agreement executed prior to January 1, 2022 which confidentiality agreement remains in force, for which an insurance company cannot provide a copy of a private letter rating rationale report to the SVO due to confidentiality or other contractual reasons ("waived submission PLR securities").
b. The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security.
c. The NAIC Designation and NAIC Designation Category were derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.

GENERAL INTERROGATORIES
PART 1 - COMMON INTERROGATORIES

- d.

Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.
- Has the reporting entity self-designated PLGI to securities, all of which meet the above requirement and as specified in the P&P Manual?.....NO.....
36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

a.

The shares were purchased prior to January 1, 2019.

b.

The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c.

The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.

d.

The fund only or predominantly holds bonds in its portfolio.

e.

The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.

f.

The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

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

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

a.

The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.

b.

If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.

c.

If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.

d.

Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?.....NO.....

38.1. Does the reporting entity directly hold cryptocurrencies?.....NO.....

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

39.1. Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies?.....NO.....

39.2. If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?

39.21 Held directly.....

39.22 Immediately converted to U.S. dollars.....

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

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

OTHER

40.1. Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$..... 2,111,641 .

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 Blue Shield Association.....	\$..... 1,073,591
Consotrium Health Plans Inc.....	765,840

41.1. Amount of payments for legal expenses, if any?.....\$..... 3,254,885 .

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
Crowell & Moring LLP.....	\$..... 943,232

42.1. Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any?.....\$..... 118,755 .

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
Lobby Idaho LLC.....	\$..... 81,343
Sullivan and Associates.....	37,413

27.6

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force?.....YES
- 1.2 If yes, indicate premium earned on U.S. business only.....\$ 9,641,569
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?.....\$
- 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.....\$
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance.....\$ 7,642,348
- 1.6 Individual policies:
Most current three years:
1.61 Total premium earned.....\$
1.62 Total incurred claims.....\$
1.63 Number of covered lives.....
All years prior to most current three years:
1.64 Total premium earned.....\$ 9,641,569
1.65 Total incurred claims.....\$ 7,642,348
1.66 Number of covered lives.....2,597
- 1.7 Group policies:
Most current three years:
1.71 Total premium earned.....\$
1.72 Total incurred claims.....\$
1.73 Number of covered lives.....
All years prior to most current three years:
1.74 Total premium earned.....\$
1.75 Total incurred claims.....\$
1.76 Number of covered lives.....

2. Health Test:

		1	2
		Current Year	Prior Year
2.1	Premium Numerator.....	\$..... 1,181,681,738	\$..... 1,355,795,779
2.2	Premium Denominator.....	\$..... 1,181,681,738	\$..... 1,355,795,779
2.3	Premium Ratio (2.1/2.2).....	100.000 %	100.000 %
2.4	Reserve Numerator.....	\$..... 179,132,694	\$..... 216,013,319
2.5	Reserve Denominator.....	\$..... 179,132,694	\$..... 216,013,319
2.6	Reserve Ratio (2.4/2.5).....	100.000 %	100.000 %

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?.....NO
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?.....YES
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?.....NO
- 5.1 Does the reporting entity have stop-loss reinsurance?.....YES
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions)
5.31 Comprehensive Medical.....\$ 2,000,000
5.32 Medical Only.....\$
5.33 Medicare Supplement.....\$
5.34 Dental and Vision.....\$
5.35 Other Limited Benefit Plan.....\$
5.36 Other.....\$ 2,000,000
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:
The financial reserve levels of Blue Cross of Idaho Health Services, Inc. are closely scrutinized by the Idaho Insurance Department per Idaho Code Section 41-608 to be assured that the Company is financially able to provide insurance benefits to its members and pay covered health insurance claims to its providers.
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis?.....YES
- 7.2 If no, give details
8. Provide the following information regarding participating providers:
8.1 Number of providers at start of reporting year.....18,219
8.2 Number of providers at end of reporting year.....20,556
- 9.1 Does the reporting entity have business subject to premium rate guarantees?.....NO

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

- 9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months\$

9.22 Business with rate guarantees over 36 months\$
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?YES
- 10.2 If yes:

10.21 Maximum amount payable bonuses\$ 3,445,248

10.22 Amount actually paid for year bonuses\$ 6,250,798

10.23 Maximum amount payable withholds\$

10.24 Amount actually paid for year withholds\$
- 11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,NO

11.13 An Individual Practice Association (IPA), or,NO

11.14 A Mixed Model (combination of above)?NO
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements?YES
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.Idaho
- 11.4 If yes, show the amount required.\$ 2,000,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity?NO
- 11.6 If the amount is calculated, show the calculation

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

1
Name of Service Area
State of Idaho

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

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

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

15.1 Direct Premium Written\$

15.2 Total Incurred Claims\$

15.3 Number of Covered Lives

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

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?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?NO

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2024	2023	2022	2021	2020
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	1,076,860,512	1,063,492,278	1,120,889,482	1,280,921,109	1,257,251,211
2. Total liabilities (Page 3, Line 24)	502,231,666	405,843,699	402,209,512	483,569,240	489,507,626
3. Statutory minimum capital and surplus requirement	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
4. Total capital and surplus (Page 3, Line 33)	574,628,846	657,648,579	718,679,970	797,351,869	767,743,585
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,182,245,543	1,356,340,767	1,311,987,136	1,305,337,799	1,365,201,149
6. Total medical and hospital expenses (Line 18)	1,026,251,608	1,185,524,974	1,174,298,512	1,153,824,577	1,060,582,612
7. Claims adjustment expenses (Line 20)	52,002,680	44,791,441	43,744,617	38,616,916	39,229,699
8. Total administrative expenses (Line 21)	134,424,450	136,066,331	136,607,210	132,061,819	177,219,353
9. Net underwriting gain (loss) (Line 24)	(30,433,195)	(10,041,979)	(42,663,203)	(19,165,513)	88,169,486
10. Net investment gain (loss) (Line 27)	58,322,703	52,255,681	45,222,805	36,141,059	23,897,420
11. Total other income (Lines 28 plus 29)	(101,469,430)	(2,117,417)	(19,073)		(554,278)
12. Net income or (loss) (Line 32)	(78,546,529)	39,523,295	1,521,600	16,074,072	88,313,300
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	20,225,593	(730,503)	34,231,887	34,338,125	125,287,688
Risk-Based Capital Analysis					
14. Total adjusted capital	574,628,846	657,648,579	718,679,970	797,351,869	767,743,585
15. Authorized control level risk-based capital	49,970,415	55,276,960	60,594,878	69,295,469	61,929,256
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	227,687	237,132	249,194	243,525	250,198
17. Total members months (Column 6, Line 7)	2,764,775	2,843,499	2,932,845	2,968,728	3,004,792
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)	86.8	87.4	89.5	88.4	77.7
20. Cost containment expenses	2.5	2.0	2.1	1.8	1.6
21. Other claims adjustment expenses	1.9	1.3	1.2	1.1	1.3
22. Total underwriting deductions (Line 23)	102.6	100.8	103.3	101.5	93.5
23. Total underwriting gain (loss) (Line 24)	(2.6)	(0.7)	(3.3)	(1.5)	6.5
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 17, Col. 5)	88,736,878	118,312,862	123,912,967	98,081,582	101,019,243
25. Estimated liability of unpaid claims-[prior year (Line 17, Col. 6)]	114,481,072	134,386,754	122,678,246	119,634,916	99,030,118
Investments in Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)					
30. Affiliated mortgage loans on real estate					
31. All other affiliated	28,767,920	33,461,114	38,956,866	42,817,404	40,606,826
32. Total of above Lines 26 to 31	28,767,920	33,461,114	38,956,866	42,817,404	40,606,826
33. Total investment in parent included in Lines 26 to 31 above					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3—Accounting Changes and Correction of Errors?
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 & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	CHIP Title XXI	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property / Casualty Premiums	Total Columns 2 Through 8	Deposit-Type Contracts
1.	Alabama	AL	N									
2.	Alaska	AK	N									
3.	Arizona	AZ	N									
4.	Arkansas	AR	N									
5.	California	CA	N									
6.	Colorado	CO	N									
7.	Connecticut	CT	N									
8.	Delaware	DE	N									
9.	District of Columbia	DC	N									
10.	Florida	FL	N									
11.	Georgia	GA	N									
12.	Hawaii	HI	N									
13.	Idaho	ID	L	911,928,077				268,227,124			1,180,155,201	
14.	Illinois	IL	N									
15.	Indiana	IN	N									
16.	Iowa	IA	N									
17.	Kansas	KS	N									
18.	Kentucky	KY	N									
19.	Louisiana	LA	N									
20.	Maine	ME	N									
21.	Maryland	MD	N									
22.	Massachusetts	MA	N									
23.	Michigan	MI	N									
24.	Minnesota	MN	N									
25.	Mississippi	MS	N									
26.	Missouri	MO	N									
27.	Montana	MT	N									
28.	Nebraska	NE	N									
29.	Nevada	NV	N									
30.	New Hampshire	NH	N									
31.	New Jersey	NJ	N									
32.	New Mexico	NM	N									
33.	New York	NY	N									
34.	North Carolina	NC	N									
35.	North Dakota	ND	N									
36.	Ohio	OH	N									
37.	Oklahoma	OK	N									
38.	Oregon	OR	N									
39.	Pennsylvania	PA	N									
40.	Rhode Island	RI	N									
41.	South Carolina	SC	N									
42.	South Dakota	SD	N									
43.	Tennessee	TN	N									
44.	Texas	TX	N									
45.	Utah	UT	N									
46.	Vermont	VT	N									
47.	Virginia	VA	N									
48.	Washington	WA	N									
49.	West Virginia	WV	N									
50.	Wisconsin	WI	N									
51.	Wyoming	WY	N									
52.	American Samoa	AS	N									
53.	Guam	GU	N									
54.	Puerto Rico	PR	N									
55.	U.S. Virgin Islands	VI	N									
56.	Northern Mariana Islands	MP	N									
57.	Canada	CAN	N									
58.	Aggregate Other Alien	OT	XXX									
59.	Subtotal	XXX		911,928,077				268,227,124			1,180,155,201	
60.	Reporting entity contributions for Employee Benefit Plans	XXX										
61.	Total (Direct Business)	XXX		911,928,077				268,227,124			1,180,155,201	
Details of Write-Ins												
58001.		XXX										
58002.		XXX										
58003.		XXX										
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX										
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX										

(a) Active Status Counts

1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG	1	4. Q – Qualified - Qualified or accredited reinsurer	—
2. R – Registered – Non-domiciled RRGs	—	5. N – None of the above - Not allowed to write business in the state	56
3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state	—		

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

All premiums written within the State of Idaho.

