



ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

Florida True Health, Inc.

NAIC Group Code	00936	(Current Period)	,	00936	(Prior Period)	NAIC Company Code	14378	Employer's ID Number	45-4088232
Organized under the Laws of	Florida				State of Domicile or Port of Entry	Florida			
Country of Domicile	United States								
Licensed as business type:	Life, Accident & Health []		Property/Casualty []		Hospital, Medical & Dental Service or Indemnity []				
	Dental Service Corporation []		Vision Service Corporation []		Health Maintenance Organization [X]				
	Other []		Is HMO, Federally Qualified? Yes [] No [X]						
Incorporated/Organized	12/19/2011		Commenced Business		07/09/2012				
Statutory Home Office	11601 Kew Gardens Ave, Suite 200				Palm Beach Gardens, FL, 33410				
	(Street and Number)				(City, State, Country and Zip Code)				
Main Administrative Office	200 Stevens Drive								
	Philadelphia, PA, 19113				215-937-8000				
	(City, State, Country and Zip Code)				(Area Code) (Telephone Number)				
Mail Address	11601 Kew Gardens Ave. Suite 200				Palm Beach Gardens, FL, 33410				
	(Street and Number or P.O. Box)				(City, State, Country and Zip Code)				
Primary Location of Books and Records	200 Stevens Drive								
	Philadelphia, PA, 19113				215-937-8000				
	(City, State, Country and Zip Code)				(Area Code) (Telephone Number) (Extension)				
Internet Web Site Address	www.fltruehealth.com								
Statutory Statement Contact	Lori Ann Porrini				215-863-8522				
	(Name)				(Area Code) (Telephone Number) (Extension)				
	Lori.Porrini@amerihealthmercy.com				215-937-5349				
	(E-Mail Address)				(Fax Number)				

OFFICERS

Name	Title	Name	Title
Dwight David Chenette #	President	Debi Gavras #	Executive Director
Steven Harvey Bohner #	Vice President and Treasurer	Robert Howard Gilman Esquire #	Vice President and Secretary

OTHER OFFICERS

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DIRECTORS OR TRUSTEES

Robert Chris Doerr #	Joyce Ann Kramzer #	Steven Harvey Bohner #	Anne Maureen Morrissey #
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State ofFlorida.....
County of
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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.

Steven Harvey Bohner Vice President and Treasurer	Robert Howard Gilman, Esquire Vice President and Secretary	a. Is this an original filing? Yes [X] No []
Subscribed and sworn to before me this _____ day of _____ February, 2013		b. If no: 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____
Altyne Bowe, Notary Public December 30, 2014		

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).....	0		0	0
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$650,000 , Schedule E-Part 1), cash equivalents (\$18,118,554 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	18,768,554		18,768,554	0
6. Contract loans (including \$premium notes).....			0	0
7. Derivatives (Schedule DB).....			0	0
8. Other invested assets (Schedule BA)	34,750,000	34,750,000	0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	1,300,000	1,000,000	300,000	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	54,818,554	35,750,000	19,068,554	0
13. Title plants less \$charged off (for Title insurers only).....			0	0
14. Investment income due and accrued			0	0
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums.....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....	118,379	72,963	45,416	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....	129,877		129,877	0
21. Furniture and equipment, including health care delivery assets (\$)	176,902	176,902	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other than invested assets	161,324	161,324	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	55,405,036	36,161,189	19,243,847	0
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	55,405,036	36,161,189	19,243,847	0
DETAILS OF WRITE-INS				
1101. State Mandated Insolvency Protection Deposit.....	300,000		300,000	
1102. Surplus Note Receivable.....	1,000,000	1,000,000	0	
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	1,300,000	1,000,000	300,000	0
2501. Leasehold Improvement.....	31,564	31,564	0	
2502. Prepaid Expenses.....	129,760	129,760	0	
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	161,324	161,324	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)			0	0
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses			0	0
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	801,669		801,669	0
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	5,814		5,814	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	8,149,205		8,149,205	0
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and (\$ certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	8,956,688	0	8,956,688	0
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX		0
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	55,855,000	0
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(45,567,841)	0
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	10,287,159	0
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	19,243,847	0
DETAILS OF WRITE-INS				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	0	0
2. Net premium income (including \$0 non-health premium income).....	XXX	0	0
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	0	0
Hospital and Medical:			
9. Hospital/medical benefits			0
10. Other professional services			0
11. Outside referrals			0
12. Emergency room and out-of-area			0
13. Prescription drugs			0
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0
16. Subtotal (Lines 9 to 15)	0	0	0
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	0	0
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$0 cost containment expenses.....		0	0
21. General administrative expenses.....		9,536,520	0
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	9,536,520	0
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(9,536,520)	0
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		17,304	0
26. Net realized capital gains (losses) less capital gains tax of \$			0
27. Net investment gains (losses) (Lines 25 plus 26)	0	17,304	0
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	0	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	(9,519,216)	0
31. Federal and foreign income taxes incurred	XXX	5,814	0
32. Net income (loss) (Lines 30 minus 31)	XXX	(9,525,030)	0
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901.			
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL & SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year	0	0
34. Net income or (loss) from Line 32	(9,525,030)	0
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	118,379	0
39. Change in nonadmitted assets	(36,161,190)	0
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	55,855,000	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	10,287,159	0
49. Capital and surplus end of reporting year (Line 33 plus 48)	10,287,159	0
DETAILS OF WRITE-INS		
4701.		
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

CASH FLOW

Cash from Operations	1	2
	Current Year	Prior Year
1. Premiums collected net of reinsurance	0	0
2. Net investment income	17,304	0
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	17,304	0
5. Benefit and loss related payments	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	8,618,388	0
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	0
10. Total (Lines 5 through 9)	8,618,388	0
11. Net cash from operations (Line 4 minus Line 10)	(8,601,084)	0
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	0	0
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	0	0
13. Cost of investments acquired (long-term only):		
13.1 Bonds	0	0
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	34,750,000	0
13.6 Miscellaneous applications	1,000,000	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	35,750,000	0
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(35,750,000)	0
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	55,855,000	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	7,264,639	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	63,119,639	0
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)	18,768,555	0
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	0	0
19.2 End of year (Line 18 plus Line 19.1)	18,768,555	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Florida True Health, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. Change in unearned premium reserves and reserve for rate credit .....	.0									
3. Fee-for-service (net of \$ medical expenses) .....	.0									XXX
4. Risk revenue.....	.0									XXX
5. Aggregate write-ins for other health care related revenues.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
6. Aggregate write-ins for other non-health care related revenues .....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
7. Total revenues (Lines 1 to 6).....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
8. Hospital/medical benefits .....	.0									XXX
9. Other professional services .....	.0									XXX
10. Outside referrals .....	.0									XXX
11. Emergency room and out-of-area .....	.0									XXX
12. Prescription drugs .....	.0									XXX
13. Aggregate write-ins for other hospital and medical.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
14. Incentive pool, withhold adjustments and bonus amounts.....	.0									XXX
15. Subtotal (Lines 8 to 14) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
16. Net reinsurance recoveries .....	.0									XXX
17. Total hospital and medical (Lines 15 minus 16) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
18. Non-health claims (net) .....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
19. Claims adjustment expenses including \$ cost containment expenses.....	.0									
20. General administrative expenses	9,536,520							9,536,520		
21. Increase in reserves for accident and health contracts .....	.0									XXX
22. Increase in reserves for life contracts.....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
23. Total underwriting deductions (Lines 17 to 22)	9,536,520	.0	.0	.0	.0	.0	.0	9,536,520	.0	.0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	(9,536,520)	0	0	0	0	0	0	(9,536,520)	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page.....	.0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

Part 1 - Premiums

NONE

Part 2 - Claims Incurred During the Year

NONE

Part 2A - Claims Liability

NONE

Part 2B - Analysis of Claims

NONE

Pt 2C - Sn A - Paid Claims - Comp

NONE

Pt 2C - Sn A - Paid Claims - MS

NONE

Pt 2C - Sn A - Paid Claims - DO

NONE

Pt 2C - Sn A - Paid Claims - VO

NONE

Pt 2C - Sn A - Paid Claims - FE

NONE

Pt 2C - Sn A - Paid Claims - XV

NONE

Pt 2C - Sn A - Paid Claims - XI

NONE

Pt 2C - Sn A - Paid Claims - OT

NONE

Pt 2C - Sn A - Paid Claims - GT

NONE

Pt 2C - Sn B - Incurred Claims - Comp

NONE

Pt 2C - Sn B - Incurred Claims - MS

NONE

Pt 2C - Sn B - Incurred Claims - DO

NONE

Pt 2C - Sn B - Incurred Claims - VO

NONE

Pt 2C - Sn B - Incurred Claims - FE

NONE

Pt 2C - Sn B - Incurred Claims - XV

NONE

Pt 2C - Sn B - Incurred Claims - XI

NONE

Pt 2C - Sn B - Incurred Claims - OT

NONE

Pt 2C - Sn B - Incurred Claims - GT

NONE

Part 2C - Sn C - Claims Expense Ratio Co
NONE

Part 2C - Sn C - Claims Expense Ratio MS
NONE

Part 2C - Sn C - Claims Expense Ratio DO
NONE

Part 2C - Sn C - Claims Expense Ratio VO
NONE

Part 2C - Sn C - Claims Expense Ratio FE
NONE

Part 2C - Sn C - Claims Expense Ratio XV
NONE

Part 2C - Sn C - Claims Expense Ratio XI
NONE

Part 2C - Sn C - Claims Expense Ratio OT
NONE

Part 2C - Sn C - Claims Expense Ratio GT
NONE

Aggregate Reserve for A&H Contracts
NONE

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....	0		207,952		207,952
2. Salaries, wages and other benefits.....			3,469,711		3,469,711
3. Commissions (less \$ceded plus \$assumed).....					0
4. Legal fees and expenses.....			1,406,009		1,406,009
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			3,266,294		3,266,294
7. Traveling expenses.....			105,995		105,995
8. Marketing and advertising.....			41,690		41,690
9. Postage, express and telephone.....			132,309		132,309
10. Printing and office supplies.....			18,635		18,635
11. Occupancy, depreciation and amortization.....			80,324		80,324
12. Equipment.....			6,113		6,113
13. Cost or depreciation of EDP equipment and software.....			283,168		283,168
14. Outsourced services including EDP, claims, and other services.....			224,322		224,322
15. Boards, bureaus and association fees.....			39,369		39,369
16. Insurance, except on real estate.....			0		0
17. Collection and bank service charges.....			3,858		3,858
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....			692		692
23.2 State premium taxes.....			0		0
23.3 Regulatory authority licenses and fees.....			0		0
23.4 Payroll taxes.....			152,988		152,988
23.5 Other (excluding federal income and real estate taxes).....			0		0
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	97,091	0	97,091
26. Total expenses incurred (Lines 1 to 25).....	0	0	9,536,520	0 (a)	9,536,520
27. Less expenses unpaid December 31, current year			801,669		801,669
28. Add expenses unpaid December 31, prior year	0	0	0	0	0
29. Amounts receivable relating to uninsured plans, prior year	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	0	8,734,851	0	8,734,851
DETAILS OF WRITE-INS					
2501. Miscellaneous expenses.....			10,517		10,517
2502. Purchased services.....			86,574		86,574
2503.			0		0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598) (Line 25 above)	0	0	97,091	0	97,091

(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).....	.....
1.1	Bonds exempt from U.S. tax	(a).....	.....
1.2	Other bonds (unaffiliated)	(a).....	.....
1.3	Bonds of affiliates	(a).....0	.....
2.1	Preferred stocks (unaffiliated)	(b).....0	.....
2.11	Preferred stocks of affiliates	(b).....0	.....
2.2	Common stocks (unaffiliated) .....	.....0	.....
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....17,304	.....17,304
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income .....	.....17,304	.....17,304
11.	Investment expenses		(g).....
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....0
17.	Net investment income (Line 10 minus Line 16) .....		.....17,304
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above) .....	.....0	.....0
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above) .....		.....0

(a) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ 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 .....			.....0	.....	.....
1.1	Bonds exempt from U.S. tax .....			.....0	.....	.....
1.2	Other bonds (unaffiliated) .....			.....0	.....	.....
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....	.....0
5.	Contract loans .....			.....0	.....	.....
6.	Cash, cash equivalents and short-term investments .....			.....0	.....0	.....0
7.	Derivative instruments .....			.....0	.....	.....
8.	Other invested assets .....	.....0	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above) .....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	34,750,000	0	(34,750,000)
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	1,000,000	0	(1,000,000)
12. Subtotals, cash and invested assets (Lines 1 to 11)	35,750,000	0	(35,750,000)
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	72,963	0	(72,963)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	176,902	0	(176,902)
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets	161,325	0	(161,325)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	36,161,190	0	(36,161,190)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	36,161,190	0	(36,161,190)
DETAILS OF WRITE-INS			
1101. Surplus Note Receivable.....	1,000,000		(1,000,000)
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	1,000,000	0	(1,000,000)
2501. Leasehold Improvements.....	31,565		(31,565)
2502. Prepaid Expenses.....	129,760		(129,760)
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	161,325	0	(161,325)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	.0					
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
7. Total	0	0	0	0	0	0
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

NONE

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

Florida True Health, Inc. (the Company) prepares its statutory financial statements in accordance with the accounting practices prescribed or permitted by the Florida Office of Insurance Regulation (OIR). The Florida OIR recognizes only statutory accounting practices prescribed or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners’ (the NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida

The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically, investments in administrative and management service entities and other healthcare providers shall not exceed 50 percent of admitted assets. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

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

	State of Domicile	20	12		20	11
<u>NET INCOME</u>						
(1) Florida True Health, Inc. state basis (Page 4, Line 32, Columns 2 & 3)	Florida	\$	(9,525,030)	\$		
(2) State Prescribed Practices that increase/(decrease) NAIC SAP						
(3) State Permitted Practices that increase/(decrease) NAIC						
(4) NAIC SAP(1-2-3=4)	Florida	\$	(9,525,030)	\$		
<u>SURPLUS</u>						
(5)Florida True Health, Inc. Company state basis (Page 3, Line 33, Columns 3 & 4)	Florida	\$	10,287,159	\$		
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: Other invested asset	Florida	\$	34,750,000			
(7) State Permitted Practices that increase/(decrease) NAIC SAP:						
(8) NAIC SAP(5-6-7=8)	Florida	\$	45,037,159	\$		

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

The preparation of statutory financial statements in conformity with accounting practices prescribed or permitted by the Florida OIR requires management to make estimates and assumptions that affect the amounts reported in the statutory financial statements and accompanying notes. Some of the more significant estimates include income taxes. Actual results could differ from those estimates.

C. Accounting Policy

The Company uses the following accounting policies:

Cash and Cash Equivalents

Cash and cash equivalents consist of all highly liquid investments with an original maturity of three months or less. Cash equivalents totaled \$18,118,554 at December 31, 2012.

Other Invested Assets

The Company accounts for its investments in subsidiaries, controlled and affiliated entities in accordance with Statement of Statutory Accounting Principles (SSAP) No. 97, *Investments in Subsidiary, Controlled and Affiliated Entities*.

Fixed Assets

Furniture and leasehold improvements are designated as “nonadmitted assets” and are charged directly to capital and surplus. Electronic Data Processing (EDP) equipment exceeding three percent of statutory capital and surplus for the most recently filed statement with the State of Florida (adjusted to exclude EDP equipment) are designated as nonadmitted assets and are charged directly to surplus. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, which ranges from three to seven years. Leasehold improvements are amortized on a straight-line basis over the shorter of the remaining lease term or the estimated useful life of the asset. Maintenance and repairs are charged to operations when incurred.

Regulation

The NAIC adopted RBC standards for health organizations, including HMOs, that are designed to identify weakly capitalized companies by comparing each company’s adjusted capital and surplus to its required capital

NOTES TO FINANCIAL STATEMENTS

and surplus (RBC ratio). The RBC ratio is designed to reflect the risk profile of the Company. Within certain ratio changes, regulators have increasing authority to take action as the RBC ratio decreases. There are four levels of regulatory action, ranging from requiring insurers to submit a comprehensive plan to the state insurance commissioner to requiring the state insurance commissioner to place the insurer under regulatory control. As of December 31, 2012, the State of Florida has not yet adopted these standards.

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

None

D. Loan-Backed Securities

1. Loan Back Securities.

None

2. Recognized Other-than-Temporary Impairment

None

3. Present Value of Cash Flows

None

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than –temporary impairment has not been recognized.

None

E. Repurchase Agreements

None

F. Real Estate

None

G. Low-income housing tax credits (LHITC)

None

6. Joint Ventures, Partnerships and Limited Liability Companies

On December 31, 2012 the Company acquired a 40% interest in Prestige Health Choice, LLC (Prestige), a provider service network that provides access to comprehensive medical services for Florida Medicaid beneficiaries. The total consideration paid for the Company's investment in Prestige amounted to \$34,750,000. This investment is reported as an other invested asset on the statutory statement of admitted assets and has been non-admitted for statutory reporting purposes.

7. Investment Income

Interest and dividend income from cash and cash equivalents are included in investment income on the statutory statement of revenues and expenses.

8. Derivative Instruments

None

9. Income Taxes

The Company is a Florida Insurance Company that is subject to state and federal income tax. Deferred income tax assets and liabilities represent the expected future federal tax consequences of temporary differences generated by statutory accounting. Deferred income tax assets and liabilities are computed by means of identifying temporary differences, which are measured using a balance sheet approach whereby statutory and tax-basis balance sheet are compared.

Changes in deferred tax assets and liabilities are recognized as a separate component of changes in capital and surplus except to the extent allocated changes in unrealized gains and losses. Changes in deferred tax assets and liabilities allocated to unrealized gains and losses are netted against the related changes in unrealized gains and losses and are also reported as a separate component of the change in capital and surplus.

In November 2011, the NAIC issued SSAP No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10*. This statement establishes statutory accounting principles for current and deferred federal and foreign income

NOTES TO FINANCIAL STATEMENTS

taxes and current state income taxes. This statement supersedes SSAP No. 10, *Income Taxes* and SSAP No. 10R, *Income Taxes, a temporary replacement of SSAP No.10*, which expired on December 31, 2011. SSAP No. 101 has: 1) restricted the ability to use the 3 years/15 percent of surplus admission rule to those reporting entities that meet the modified RBC ratio threshold, 2) changed the recognition threshold for recording tax contingency reserves from a probable liability standard to a more-likely-than-not liability standard, 3) required the disclosure of tax planning strategies that relate to reinsurance, and 4) required consideration of reversal patterns of deferred tax assets (DTAs) and deferred tax liabilities (DTLs) in determining the extent to which DTLs could offset DTAs on the statutory balance sheet. SSAP No. 101 became authoritative guidance for accounting and reporting of income taxes for statutory financial statements beginning January 1, 2012. Because the Company commenced operations after the effective date of this guidance, there was no cumulative effect of adopting this standard.

State income tax expense in the amount of \$692 is recorded in general administrative expenses in the statutory statement of revenues and expenses for the year ended December 31, 2012.

The components of the net deferred tax asset/(liability) at December 31, 2012 and 2011 are as follows:

1	12/31/2012		
	(1)	(2)	(3)
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ 3,455,919	-	-
(b) Statutory Valuation Allowance Adjustments	3,337,540	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	118,379	-	-
(d) Deferred Tax Assets Nonadmitted	72,963	-	-
Subtotal Net Admitted Deferred Tax Asset (1c -			
(e) 1d)	45,416	-	-
(f) Deferred Tax Liabilities	-	-	-
(g) Net Admitted Deferred Tax Asset/(Net Deferred	\$ 45,416	-	-
	12/31/2011		
	(4)	(5)	(6)
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ -	-	-
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	-	-	-
(d) Deferred Tax Assets Nonadmitted	-	-	-
Subtotal Net Admitted Deferred Tax Asset (1c -			
(e) 1d)	-	-	-
(f) Deferred Tax Liabilities	-	-	-
(g) Net Admitted Deferred Tax Asset/(Net Deferred	\$ -	-	-
	Change		
	(7)	(8)	(9)
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	\$ 3,455,919	-	-
(b) Statutory Valuation Allowance Adjustments	3,337,540	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	118,379	-	-
(d) Deferred Tax Assets Nonadmitted	72,963	-	-
Subtotal Net Admitted Deferred Tax Asset (1c -			
(e) 1d)	45,416	-	-
(f) Deferred Tax Liabilities	-	-	-
(g) Net Admitted Deferred Tax Asset/(Net Deferred	\$ 45,416	-	-

NOTES TO FINANCIAL STATEMENTS

2

		12/31/2012		
		(1)	(2)	(3)
		Ordinary	Capital	(Col 1+2) Total
Admission Calculation Components SSAP No. 101				-
(a)	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks \$	-		
Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)		45,416		-
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the 1 Balance Sheet Date	45,416		-
2 Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold				
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 Deferred Tax Assets Admitted as the result of application of SSAP No. 101.				
(c)				
(d)	Total (2(a) + 2(b) + 2(c)) \$	45,416	-	-

		12/31/2011		
		(4)	(5)	(6)
		Ordinary	Capital	(Col 4+5) Total
Admission Calculation Components SSAP No. 101				-
(a)	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks \$	-		
Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)		-		-
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the 1 Balance Sheet Date	-		-
2 Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold				
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 Deferred Tax Assets Admitted as the result of application of SSAP No. 101.				
(c)				
(d)	Total (2(a) + 2(b) + 2(c)) \$	-	-	-

		Change		
		(7)	(8)	(9)
		Ordinary	Capital	(Col 7+8) Total
Admission Calculation Components SSAP No. 101				-
(a)	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks \$	-		
Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)		45,416		-
(b)	Adjusted Gross Deferred Tax Assets Expected to be Realized Following the 1 Balance Sheet Date	45,416		-
2 Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold				
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 Deferred Tax Assets Admitted as the result of application of SSAP No. 101.				
(c)				
(d)	Total (2(a) + 2(b) + 2(c)) \$	45,416	-	-

NOTES TO FINANCIAL STATEMENTS

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12/31/2012			
	(1) Ordinary Percent	(2) Capital Percent	(3) (Col 1+2) Total Percent
Impact of Tax Planning Strategies			
Adjusted Gross DTAs (% of Total Adjusted			
(a) Gross DTAs)	\$ -	-	-
Net Admitted Adjusted Gross DTAs (% of Total			
(b) Net Admitted Adjusted Gross DTAs)	-	-	-
12/31/2011			
	(4) Ordinary Percent	(5) Capital Percent	(6) (Col 4+5) Total Percent
Adjusted Gross DTAs (% of Total Adjusted			
(a) Gross DTAs)	\$ -	-	-
Net Admitted Adjusted Gross DTAs (% of Total			
(b) Net Admitted Adjusted Gross DTAs)	-	-	-
Change			
	(7) (Col 1-4) Ordinary Percent	(8) (Col 2-5) Capital Percent	(9) (Col 7+8) Total Percent
Adjusted Gross DTAs (% of Total Adjusted			
(a) Gross DTAs)	\$ -	-	-
Net Admitted Adjusted Gross DTAs (% of Total			
(b) Net Admitted Adjusted Gross DTAs)	-	-	-
Does the company's tax-planning strategies			
(c) include the use of reinsurance?		Yes	No X

Current income taxes incurred consist of the following major components:

NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2012	12/31//2011	(Col 1-2) Change
1 Current Income Tax:			
(a) Federal	\$ 5,814	-	5,814
(b) Foreign	-	-	-
(c) Subtotal	5,814	-	5,814
(d) Federal income tax on net capital gains	-	-	-
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$ 5,814	-	5,814
2 Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ -	-	-
(2) Unearned premium reserve	-	-	-
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed Assets	72,963	-	72,963
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	-	-	-
(11) Net operating loss carry-forward	3,337,540	-	3,337,540
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	45,416	-	45,416
Subtotal	3,455,919	-	3,455,919
(b) Statutory valuation allowance adjustment	3,337,540	-	3,337,540
(c) Nonadmitted	72,963	-	72,963
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	45,416	-	45,416
(e) Capital:			
(1) Investments	-	-	-
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
Subtotal	-	-	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	45,416	-	45,416
3 Deferred Tax Liabilities			
(a) Ordinary:			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax assets)	-	-	-
Subtotal	-	-	-
(b) Capital:			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
Subtotal	-	-	-
(c) Deferred tax liabilities(3a99 + 3b99)	-	-	-
4 Net deferred tax assets/liabilities(2i - 3c)	\$ 45,416	45,416	45,416

10. Information Concerning Parent, Subsidiaries and Affiliates

The Company is a 50% owned subsidiary of AmeriHealth Mercy Health Plan (AMHP) in a joint venture with Diversified Health Services, Inc., a wholly owned subsidiary of Blue Cross and Blue Shield of Florida, Inc. (BCBSFL). BCBSFL is a Florida mutual benefit nonprofit health care corporation. AMHP is a Pennsylvania partnership formed to develop and operate managed care business for Medicaid enrollees. Amounts due to AMHP were \$8,149,205 as of December 31, 2012 and are related to start-up costs incurred for the Medicaid program which commenced business on January 1, 2013.

The Company received capital contributions in the amount of \$27,927,500 each from AMHP and BCBSFL during the year ended December 31, 2012.

11. Debt

None

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

None

NOTES TO FINANCIAL STATEMENTS

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

Under applicable Florida state laws and regulations, the Company is required to maintain at all times minimum surplus equal to the greater of: (a) \$1,500,000; (b) ten percent of total liabilities; or (c) two percent of annualized premium. The Company is required by the State of Florida to maintain a minimum regulatory deposit of \$100,000. The Company is in compliance with these requirements as of December 31, 2012.

The Company is required to maintain an insolvency protection deposit with the State of Florida equal to 2 percent of annualized premiums. The Company is in compliance with this requirement as of December 31, 2012. The initial deposit of \$300,000 at December 31, 2012 is reported as an aggregate write-in for invested assets on the statutory statement of admitted assets.

14. Contingencies

A. Contingent Commitments

In the ordinary course of business, the Company is involved in and is subject to claims, contractual disputes with providers, and other uncertainties. In the opinion of management, the ultimate disposition of these matters will not have a material effect on the Company's financial condition or results of operations.

The Company is covered under the managed care errors and omissions policy maintained by AMHP for certain claims with an aggregate limit of \$40,000,000 as stated in the agreements. Professional liability coverage is on a claims made basis and must be renewed or replaced with equivalent insurance if such claims incurred during its term but asserted after its expiration are to be insured.

B. Assessments

None

C. Gain Contingencies

None

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

None

E. All Other Contingencies

None

15. Leases

None

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

None

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

None

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

None

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

None

20. Fair Value Measurements

SSAP No. 100 establishes a fair value hierarchy to increase consistency and comparability in fair value measurements and disclosures. The hierarchy is based on the inputs used in valuation and gives the highest priority to unadjusted quoted prices in active markets. The highest possible level should be used to measure fair value.

The fair value hierarchy is comprised of three priority levels, which are as follows:

Level 1 – Unadjusted quoted market prices for identical assets or liabilities in active markets.

Level 2 – Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets/liabilities in active markets;
- Quoted prices for identical or similar assets in non-active markets;
- Inputs other than quoted prices that are observable for the asset/liability; and
- Inputs that are derived principally from or corroborated by other observable market data.

NOTES TO FINANCIAL STATEMENTS

Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

The fair value of cash and cash equivalents approximates their carrying value at December 31, 2012 due to the short maturity of such instruments.

21. Other Items

A. Extraordinary Items

None

B. Troubled Debt Restructuring: Debtors

None

C. Other Disclosures

Pursuant to the terms of the membership interest purchase agreement with Prestige, the Company advanced Prestige \$1,000,000 on December 31, 2012 in return for a subordinated surplus promissory note. Written approval by the Florida Agency for Health Care Administration is required prior to the payment of interest or principal. Interest shall accrue on the unpaid principal balance at an annual rate of 8%. The outstanding principal balance was \$1,000,000 at December 31, 2012.

D. Uncollectible Balances

None

E. Business Interruption Insurance Recoveries

None

F. State Transferable Tax Credits

None

G. Reporting entity should disclose the aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code.

None

H. Hybrid Securities

None

I. Subprime Mortgage Related Risk Exposure

None

22. Events Subsequent

Management has evaluated events and transactions occurring subsequent to year end through February 28, 2013, the date that the 2012 annual statement was filed with the NAIC, for potential recognition and disclosure. No events or transactions occurring subsequent to year end date meet the definition of a recognized or nonrecognized subsequent event under the scope of SSAP No. 9, Subsequent Events, and therefore, do not require recognition or disclosure in the annual statement.

23. Reinsurance

None

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

None

25. Change in Incurred Claims and Claim Adjustment Expenses

None

26. Intercompany Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

None

B. Risk Sharing Receivables

None

29. Participating Policies

None

30. Premium Deficiency Reserve

None

31. Anticipated Salvage and Subrogation

None

NOTES TO FINANCIAL STATEMENTS

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

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

Yes [X] No [] N/A []
- 1.3

State Regulating?

Florida.....
- 2.1

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

Yes [] No [X]
- 2.2

If yes, date of change:
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).
- 3.4

By what department or departments?
- 3.5

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

Yes [] No [] N/A [X]
- 3.6

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

Yes [] No [] N/A [X]
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11

sales of new business?

Yes [] No [X]
- 4.12

renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21

sales of new business?

Yes [] No [X]
- 4.22

renewals?

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

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

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

- 6.1

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

Yes [] No [X]
- 6.2

If yes, give full information
- 7.1

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

Yes [] No [X]
- 7.2

If yes,
- 7.21

State the percentage of foreign control
- 7.22

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

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG, 1601 Market Street, Philadelphia, PA 19103.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Actuarial opinion/certification not applicable. Entity commenced business January 1, 2013.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value \$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []

a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

c. Compliance with applicable governmental laws, rules and regulations;

d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s)

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

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

1	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?
- Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
- Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?
- Yes [X] No []

FINANCIAL

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

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- Yes [] No [] NA [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.
- \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.
- \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- Yes [] No [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
- Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
- 24.103 Total payable for securities lending reported on the liability page \$.....

GENERAL INTERROGATORIES

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

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

25.21	Subject to repurchase agreements	\$.....
25.22	Subject to reverse repurchase agreements	\$.....
25.23	Subject to dollar repurchase agreements	\$.....
25.24	Subject to reverse dollar repurchase agreements	\$.....
25.25	Pledged as collateral	\$.....
25.26	Placed under option agreements	\$.....
25.27	Letter stock or securities restricted as to sale	\$.....
25.28	On deposit with state or other regulatory body	\$.....700,000
25.29	Other	\$.....

25.3 For category (25.27) provide the following:

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

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

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

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

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
PNC Bank.....	249 5th ave, Pittsburgh, PA 15222.....
First Bank of Palm Beaches.....	415 5th st, Palm Beach, FLA 33401.....

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

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

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

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

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
.....
.....
.....

GENERAL INTERROGATORIES

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

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
.....
29.2999 TOTAL		0

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....
.....

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	0	.....	0
30.2 Preferred Stocks.....	0	.....	0
30.3 Totals	0	0	0

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

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- 32.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed?
- 32.2 If no, list exceptions:
- Yes [] No []
- Yes [] No []
- Yes [X] No []

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any? \$
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

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

- 34.1 Amount of payments for legal expenses, if any? \$556,009
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
McDermott Will & Emory.....	\$.....537,213

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

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

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
1.2 If yes, indicate premium earned on U. S. business only. \$0
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$
1.31 Reason for excluding
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$
1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$0
1.6 Individual policies:
Most current three years:
1.61 Total premium earned \$0
1.62 Total incurred claims \$0
1.63 Number of covered lives0
All years prior to most current three years:
1.64 Total premium earned \$0
1.65 Total incurred claims \$0
1.66 Number of covered lives0
1.7 Group policies:
Most current three years:
1.71 Total premium earned \$0
1.72 Total incurred claims \$0
1.73 Number of covered lives0
All years prior to most current three years:
1.74 Total premium earned \$0
1.75 Total incurred claims \$0
1.76 Number of covered lives0
2. Health Test:
1 2
Current Year Prior Year
2.1 Premium Numerator \$0 \$0
2.2 Premium Denominator \$0 \$0
2.3 Premium Ratio (2.1/2.2)0.0000.000
2.4 Reserve Numerator \$0 \$0
2.5 Reserve Denominator \$0 \$0
2.6 Reserve Ratio (2.4/2.5)0.0000.000
3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [] No [X]
3.2 If yes, give particulars:
4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No []
4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [] No [X]
5.1 Does the reporting entity have stop-loss reinsurance? Yes [] No [X]
5.2 If no, explain:
Entity commenced business January 1, 2013
5.3 Maximum retained risk (see instructions)
5.31 Comprehensive Medical \$0
5.32 Medical Only \$
5.33 Medicare Supplement \$
5.34 Dental and Vision \$
5.35 Other Limited Benefit Plan \$
5.36 Other \$
6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
All providers have executed hold-harmless agreements requiring continuation of services.
7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [] No [X]
7.2 If no, give details
Entity commenced business January 1, 2013
8. Provide the following information regarding participating providers:
8.1 Number of providers at start of reporting year
8.2 Number of providers at end of reporting year
9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [] No [X]
9.2 If yes, direct premium earned:
9.21 Business with rate guarantees between 15-36 months
9.22 Business with rate guarantees over 36 months

GENERAL INTERROGATORIES
PART 2 - HEALTH INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes [] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses

\$.....

10.22 Amount actually paid for year bonuses

\$.....

10.23 Maximum amount payable withholds

\$.....

10.24 Amount actually paid for year withholds

\$.....

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

Yes [] No [X]

11.13 An Individual Practice Association (IPA), or,

Yes [X] No []

11.14 A Mixed Model (combination of above) ?

Yes [] No [X]

Yes [X] No []

11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

Florida.....

11.3 If yes, show the name of the state requiring such net worth.

\$.....1,500,000

11.4 If yes, show the amount required.

Yes [] No [X]

11.5 Is this amount included as part of a contingency reserve in stockholder's equity?

Yes [] No [X]

11.6 If the amount is calculated, show the calculation.

Minimum net worth is equal to the greater of: (a) \$1,500,000; (b) ten percent of total liabilities; or (c) two percent of annualized premium

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

1
Name of Service Area
Volusia.....
.....
.....
.....
.....

13.1 Do you act as a custodian for health savings accounts?

Yes [] No [X]

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

\$.....

13.3 Do you act as an administrator for health savings accounts?

Yes [] No [X]

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

\$.....

FIVE - YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	19,243,847	.0	.0	.0	.0
2. Total liabilities (Page 3, Line 24)	8,956,688	.0	.0	.0	.0
3. Statutory surplus	1,500,000	.0	.0	.0	.0
4. Total capital and surplus (Page 3, Line 33)	10,287,159	.0	.0	.0	.0
Income Statement (Page 4)					
5. Total revenues (Line 8) .....	.0	.0	.0	.0	.0
6. Total medical and hospital expenses (Line 18) .....	.0	.0	.0	.0	.0
7. Claims adjustment expenses (Line 20) .....	.0	.0	.0	.0	.0
8. Total administrative expenses (Line 21)	9,536,520	.0	.0	.0	.0
9. Net underwriting gain (loss) (Line 24)	(9,536,520)	.0	.0	.0	.0
10. Net investment gain (loss) (Line 27)	17,304	.0	.0	.0	.0
11. Total other income (Lines 28 plus 29) .....	.0	.0	.0	.0	.0
12. Net income or (loss) (Line 32)	(9,525,030)	.0	.0	.0	.0
Cash Flow (Page 6)					
13. Net cash from operations (Line 11).....	(8,601,085)	.0	.0	.0	.0
Risk-Based Capital Analysis					
14. Total adjusted capital.....	10,287,159	.0	.0	.0	.0
15. Authorized control level risk-based capital.....	37,450	.0	.0	.0	.0
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7) .....	.0	.0	.0	.0	.0
17. Total members months (Column 6, Line 7) .....	.0	.0	.0	.0	.0
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) .....	.0.0	.0.0	.0.0	.0.0	.0.0
20. Cost containment expenses .....	.0.0	.0.0	.0.0	.0.0	.0.0
21. Other claims adjustment expenses .....	.0.0	.0.0	.0.0	.0.0	.0.0
22. Total underwriting deductions (Line 23) .....	.0.0	.0.0	.0.0	.0.0	.0.0
23. Total underwriting gain (loss) (Line 24) .....	.0.0	.0.0	.0.0	.0.0	.0.0
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5) .....	.0	.0	.0	.0	.0
25. Estimated liability of unpaid claims – [prior year (Line 13, Col. 6)] .....	.0	.0	.0	.0	.0
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) .....	.0	.0	.0	.0	.0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) .....	.0	.0	.0	.0	.0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) .....	.0	.0	.0	.0	.0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) .....	.0	.0	.0	.0	.0
30. Affiliated mortgage loans on real estate .....		.0	.0	.0	.0
31. All other affiliated .....		.0	.0	.0	.0
32. Total of above Lines 26 to 31.....	.0	.0	.0	.0	.0
33. Total investment in parent included in Lines 26 to 31 above					

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

If no, please explain

.....

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

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

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

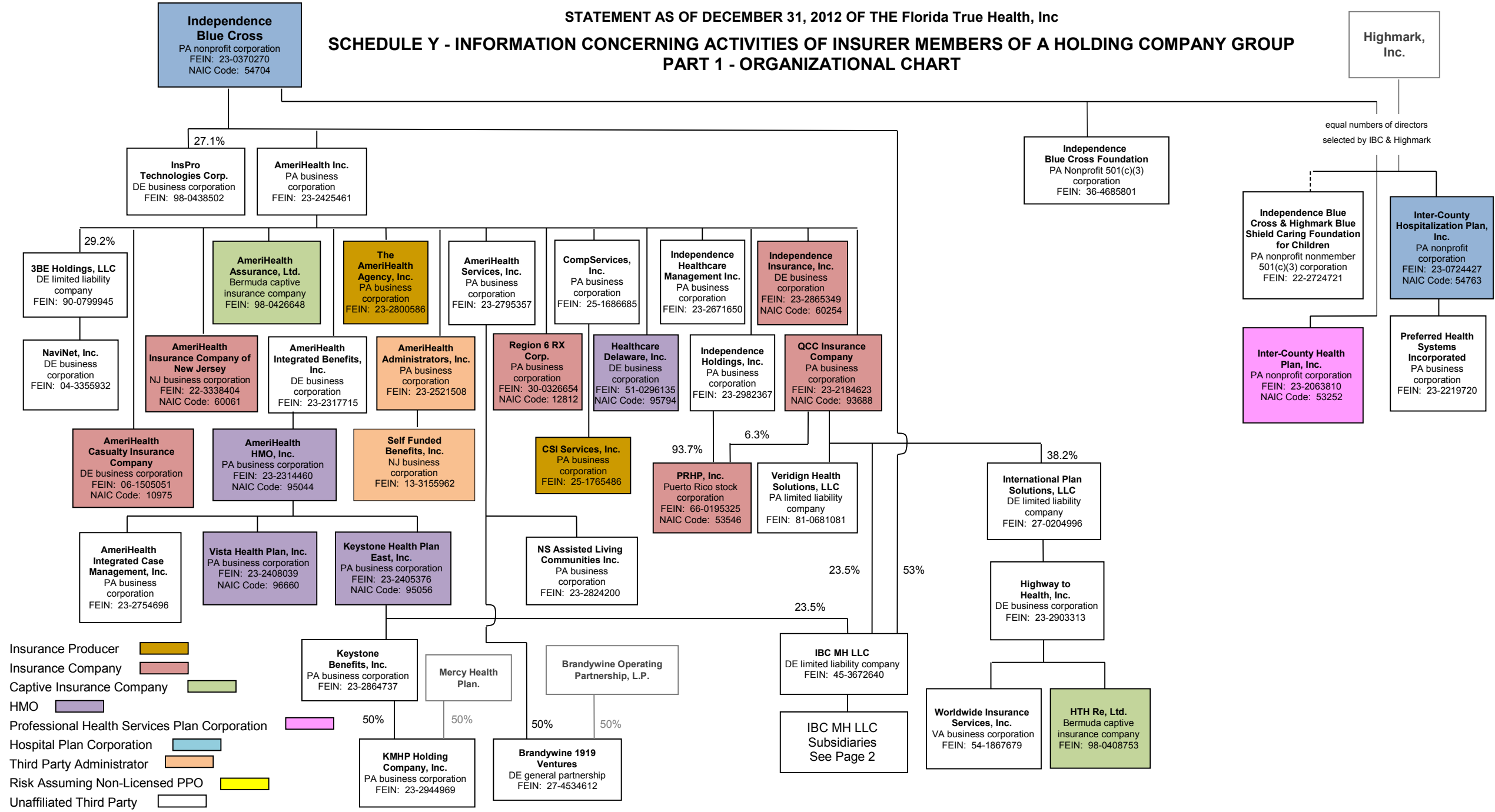
Explanation of basis of allocation by states, premiums by state, etc. No premiums to be allocated in 2012

(a) Insert the number of L responses except for Canada and other Alien.

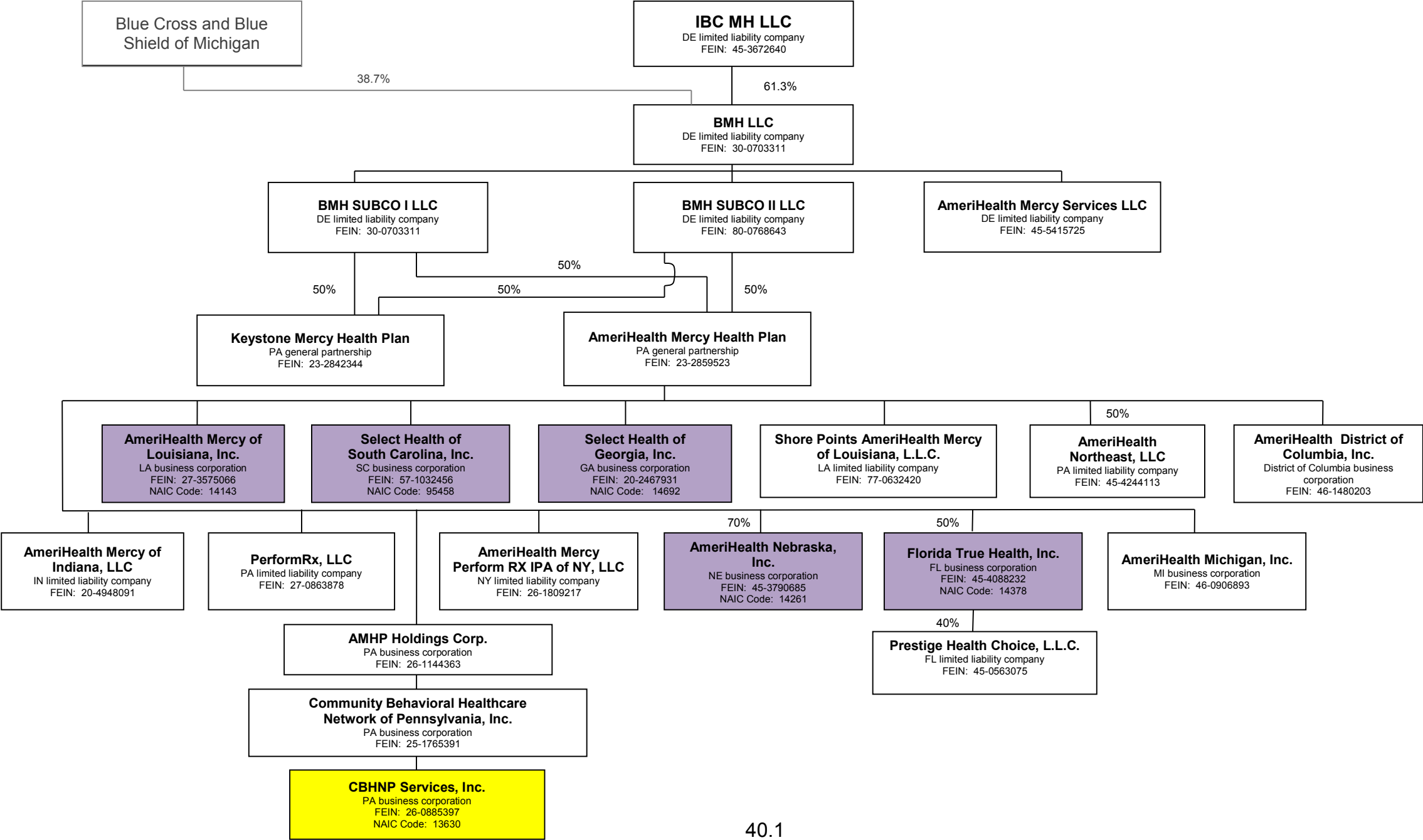
STATEMENT AS OF DECEMBER 31, 2012 OF THE Florida True Health, Inc

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

PART 1 - ORGANIZATIONAL CHART



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



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