UnitedHealthcare Insurance Company

Statutory Basis Financial Statements as of and for the Years Ended December 31, 2023 and 2022, Supplemental Schedules as of and for the Year Ended December 31, 2023, Independent Auditor’s Report and Qualification Letter

UNITEDHEALTHCARE INSURANCE COMPANY

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INDEPENDENT AUDITOR'S REPORT

To the Audit Committee of
UnitedHealthcare Insurance Company
185 Asylum Street
Hartford, CT 06103-0450

Opinion

We have audited the statutory basis financial statements of UnitedHealthcare Insurance Company (the "Company"), which comprise the statutory basis statements of admitted assets, liabilities, and capital and surplus as of December 31, 2023 and 2022, and the related statutory basis statements of operations, changes in capital and surplus, and cash flows for the years then ended, and the related notes to the statutory basis financial statements (collectively referred to as the "statutory basis financial statements").

In our opinion, the accompanying statutory basis financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with the accounting practices prescribed or permitted by the Connecticut Insurance Department described in Note 1.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statutory Basis Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Statutory Basis of Accounting

We draw attention to Note 1 of the statutory basis financial statements, which describes the basis of accounting. As described in Note 1 to the statutory basis financial statements, the statutory basis financial statements are prepared by the Company using accounting practices prescribed or permitted by the Connecticut Insurance Department, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Connecticut Insurance Department. As a result, the statutory basis financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Statutory Basis Financial Statements

Management is responsible for the preparation and fair presentation of the statutory basis financial statements in accordance with the accounting practices prescribed or permitted by the Connecticut Insurance Department. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory basis financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statutory basis financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the statutory basis financial statements are issued.

Auditor's Responsibilities for the Audit of the Statutory Basis Financial Statements

Our objectives are to obtain reasonable assurance about whether the statutory basis financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statutory basis financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory basis financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory basis financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statutory basis financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplemental Schedules

Our 2023 audit was conducted for the purpose of forming an opinion on the 2023 statutory basis financial statements as a whole. The supplemental schedule of investment risks interrogatories, the supplemental summary investment schedule, the supplemental summary of selected financial data-statutory basis and Medicaid supplemental schedule as of and for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the 2023 statutory basis financial statements. These schedules are the responsibility of the Company's management and were derived from and relate directly to the underlying accounting and other records used to prepare the statutory basis financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the 2023 statutory basis financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the statutory basis financial statements or to the statutory basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the 2023 statutory basis financial statements as a whole.

Restriction on Use

Our report is intended solely for the information and use of the Audit Committee and the management of the Company and for filing with state insurance departments to whose jurisdiction the Company is subject and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche, LLP

April 30, 2024

UNITEDHEALTHCARE INSURANCE COMPANY

STATUTORY BASIS STATEMENTS OF ADMITTED ASSETS, LIABILITIES, AND CAPITAL AND SURPLUS AS OF DECEMBER 31, 2023 AND 2022

	2023	2022
ADMITTED ASSETS		
CASH AND INVESTED ASSETS:		
Bonds	$ 9,199,712,502	$ 9,294,536,182
Preferred stocks	20,475,878	24,985,378
Common stocks	3,172,345,656	3,633,666,931
Properties occupied by the Company	221,558,805	230,382,077
Cash of $(741,966,905) and $(536,594,605), cash equivalents of $2,026,026,894 and $1,928,267,343, and short-term investments of $4,059,738 and $7,218,774 in 2023 and 2022, respectively	1,288,119,727	1,398,891,512
Other invested assets	192,181,836	134,901,103
Receivables for securities	9,326,351	5,801,995
Subtotal cash and invested assets	14,103,720,755	14,723,165,178
OTHER ASSETS:		
Investment income due and accrued	63,716,704	71,026,834
Premiums and considerations	2,381,061,177	2,245,118,749
Reinsurance	586,145,685	567,029,405
Amounts receivable relating to uninsured plans	1,446,319,074	708,565,393
Net deferred tax asset	406,767,514	338,980,595
Health care and other amounts receivable	2,178,953,378	1,950,241,190
Affiliated note receivable	625,000,000	680,000,000
Other assets	80,031,677	104,831,103
Subtotal other assets	7,767,995,209	6,665,793,269
TOTAL ADMITTED ASSETS	$ 21,871,715,964	$ 21,388,958,447
LIABILITIES, CAPITAL AND SURPLUS		
LIABILITIES:		
Aggregate reserve for life, accident, and health contracts	$ 2,653,930,401	$ 2,025,668,708
Liability for deposit-type contracts	271,667,352	292,891,289
Contract claims for life, accident, and health	4,620,970,556	4,608,054,091
Premiums for life and accident and health contracts received in advance	302,846,494	422,672,421
Provision for experience rating refunds	2,980,578,953	3,403,196,483
Other amounts payable on reinsurance	561,435,293	534,252,335
Interest maintenance reserve	24,577,291	33,021,212
General expenses due or accrued	177,166,524	182,333,651
Taxes, licenses, and fees due or accrued, excluding federal income taxes	245,198,223	236,541,345
Current federal and foreign income taxes	246,247,538	230,729,522
Remittances and items not allocated	191,107,055	63,388,888
Asset valuation reserve	428,343,661	813,270,504
Payable to parent, subsidiaries, and affiliates	957,254,332	689,955,224
Liability for amounts held under uninsured plans	1,139,429,267	912,423,453
Funds held under coinsurance	198,100,983	213,633,091
Payable for securities	25,806,096	21,925,772
Other liabilities	220,110,371	267,910,497
Total liabilities	15,244,770,390	14,951,868,486
CAPITAL AND SURPLUS:		
Common capital stock, $6,000 par value — 1,000 shares authorized; 500 shares issued and outstanding	3,000,000	3,000,000
Gross paid-in and contributed surplus	558,595,764	558,595,764
Unassigned funds (surplus)	6,065,349,810	5,875,494,197
Total capital and surplus	6,626,945,574	6,437,089,961
TOTAL LIABILITIES, CAPITAL AND SURPLUS	$ 21,871,715,964	$ 21,388,958,447

See notes to statutory basis financial statements.

UNITEDHEALTHCARE INSURANCE COMPANY

STATUTORY BASIS STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
REVENUES:		
Premiums for life and accident and health contracts	$ 45,314,366,829	$ 42,559,222,615
Net investment income	1,693,646,734	992,712,677
Commissions and expense allowances on reinsurance ceded	219,467,716	205,773,815
Miscellaneous income	7,806,502	14,934,893
Total revenues	47,235,287,781	43,772,644,000
BENEFITS AND EXPENSES:		
Benefits under life and accident and health contracts	37,562,829,959	34,695,910,226
Commissions on premiums	987,236,517	932,316,985
General insurance expenses	4,379,070,791	4,175,822,949
Insurance taxes, licenses, and fees, excluding federal income taxes	891,378,720	845,217,223
Total benefits and expenses	43,820,515,987	40,649,267,383
NET GAIN FROM OPERATIONS BEFORE FEDERAL INCOME TAXES AND NET REALIZED CAPITAL GAINS OR (LOSSES)	3,414,771,794	3,123,376,617
FEDERAL INCOME TAXES INCURRED	585,152,332	599,603,384
NET GAIN FROM OPERATIONS AFTER FEDERAL INCOME TAXES AND BEFORE NET REALIZED CAPITAL GAINS OR (LOSSES)	2,829,619,462	2,523,773,233
NET REALIZED CAPITAL GAINS (LOSSES) (EXCLUDING GAINS (LOSSES) TRANSFERRED TO THE IMR OF $(4,045,396) AND $(56,918,367)) LESS CAPITAL GAINS TAX OF $(888,083) AND $1,059,223 IN 2023 AND 2022, RESPECTIVELY	(4,052,219)	3,964,420
NET INCOME (LOSS)	$ 2,825,567,243	$ 2,527,737,653

See notes to statutory basis financial statements.

UNITEDHEALTHCARE INSURANCE COMPANY

STATUTORY BASIS STATEMENTS OF CHANGES IN CAPITAL AND SURPLUS FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	Common Capital Stock		Gross Paid-In and Contributed Surplus	Unassigned Surplus	Total Capital and Surplus
	Shares	Amount			
BALANCE — January 1, 2022	500	$ 3,000,000	$ 558,595,764	$ 6,817,974,094	$ 7,379,569,858
Net income (loss)	-	-	-	2,527,737,653	2,527,737,653
Change in asset valuation reserve	-	-	-	3,589,759	3,589,759
Change in net unrealized capital gains or losses less capital gains tax of $(4,091,359)	-	-	-	(25,315,866)	(25,315,866)
Change in net deferred income taxes	-	-	-	40,756,912	40,756,912
Change in nonadmitted assets	-	-	-	10,975,771	10,975,771
Change in liability for reinsurance in unauthorized companies	-	-	-	(224,126)	(224,126)
Cash dividends to parent	-	-	-	(3,500,000,000)	(3,500,000,000)
BALANCE — December 31, 2022	500	3,000,000	558,595,764	5,875,494,197	6,437,089,961
Net income (loss)	-	-	-	2,825,567,243	2,825,567,243
Change in asset valuation reserve	-	-	-	384,926,843	384,926,843
Change in net unrealized capital gains or losses less capital gains tax of $1,785,781	-	-	-	(470,986,172)	(470,986,172)
Change in net deferred income taxes	-	-	-	96,889,347	96,889,347
Change in nonadmitted assets	-	-	-	(126,765,774)	(126,765,774)
Change in liability for reinsurance in unauthorized companies	-	-	-	224,126	224,126
Cash dividends to parent	-	-	-	(2,520,000,000)	(2,520,000,000)
BALANCE — December 31, 2023	500	$ 3,000,000	$ 558,595,764	$ 6,065,349,810	$ 6,626,945,574

See notes to statutory basis financial statements.

UNITEDHEALTHCARE INSURANCE COMPANY

STATUTORY BASIS STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATIONS:		
Premiums collected, net of reinsurance	$ 44,730,891,079	$ 42,914,277,908
Net investment income	1,729,471,929	1,054,976,859
Miscellaneous income	217,449,118	188,396,039
Subtotal	46,677,812,126	44,157,650,806
Benefit and loss related payments	(37,082,214,504)	(35,121,502,580)
Commissions and other expenses paid	(6,727,502,790)	(4,999,467,420)
Federal income taxes (paid) recovered, net	(567,896,698)	(602,838,466)
Subtotal	(44,377,613,992)	(40,723,808,466)
Net cash from operations	2,300,198,134	3,433,842,340
CASH FLOWS FROM INVESTMENTS:		
Proceeds from investments sold, matured or repaid:		
Bonds	2,059,982,139	2,354,104,011
Stocks	19,154,118	28,977,295
Other invested assets	602,087	1,457,404
Total investment proceeds	2,079,738,344	2,384,538,710
Cost of investments acquired:		
Bonds	(1,996,711,177)	(2,428,758,316)
Stocks	(19,267,976)	(25,453,811)
Other invested assets	(87,166,081)	(41,968,616)
Total investments acquired	(2,103,145,234)	(2,496,180,743)
Net cash from investments	(23,406,890)	(111,642,033)
CASH FLOWS FROM FINANCING AND MISCELLANEOUS ACTIVITIES:		
Cash provided by (used in) net transfers from (to) affiliates	36,984,674	363,185,609
Dividends paid	(2,520,000,000)	(3,500,000,000)
Other cash provided (applied)	95,452,297	97,719,610
Net cash from financing and miscellaneous activities	(2,387,563,029)	(3,039,094,781)
RECONCILIATION OF CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS:		
NET CHANGE IN CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS	(110,771,785)	283,105,526
CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS—Beginning of year	1,398,891,512	1,115,785,986
CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS—End of year	$ 1,288,119,727	$ 1,398,891,512

See notes to statutory basis financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

Organization and Operation

UnitedHealthcare Insurance Company (the "Company"), licensed as a life, accident, and health insurer, offers its enrollees a variety of managed care programs and products through contractual arrangements with health care providers. The Company is a wholly owned subsidiary of UHIC Holdings, Inc. ("UHIC"). UHIC is a wholly owned subsidiary of United HealthCare Services, Inc. ("UHS"), a management corporation that provides services to the Company under the terms of a management agreement (the "Agreement"). UHS is a wholly owned subsidiary of UnitedHealth Group Incorporated ("UnitedHealth Group"). UnitedHealth Group is a publicly held company trading on the New York Stock Exchange.

The Company, domiciled in the State of Connecticut (the "State"), was incorporated on March 24, 1972, as a life, accident, and health insurer, and operations commenced in April 1972. The Company is licensed to sell life and accident and health insurance in all states and the District of Columbia, with the exception of New York, and primarily issues group accident and health insurance contracts to employers, government sponsored plans, and associations.

The Company offers comprehensive commercial products to individual and employer groups. Each contract outlines the coverage provided and renewal provisions. The Company also participates in the Affordable Care Act ("ACA") individual and small group exchange market in seven states and the District of Columbia.

The Company has a contract with the Office of Personnel Management ("OPM") to provide health care services to employees of the Federal government under the Federal Employee Health Benefit Plan ("FEHBP"). The contract has been renewed through December 31, 2024, and is subject to annual renewal provisions thereafter (see Note 24).

The Company serves as a plan sponsor offering Medicare Plans under contracts with the Centers for Medicare and Medicaid Services ("CMS").

The Company has contracts with Texas Health and Human Services, the State of Hawaii Department of Human Services, the Massachusetts Department of Health and Human Services, and the Indiana Family and Social Services Administration to provide health care services to Medicaid eligible beneficiaries.

The Company also serves as a plan sponsor offering a Medicare-Medicaid Plan ("MMP") under contracts with CMS and the Massachusetts Department of Health and Human Services. An MMP provides dually-eligible beneficiaries access to Medicare and Medicaid benefits under a single managed care organization through a three-way contract.

The Company provides health insurance products and services to members of AARP under a Supplemental Health Insurance Program (the "AARP Program"), and to AARP members and non-members under separate Medicare Advantage and Medicare Part D arrangements. The products and services under the AARP program include supplemental Medicare benefits (AARP Medicare Supplement Insurance), hospital indemnity insurance, including insurance for individuals between 50 and 64 years of age, and other related products.

The Company's arrangements with AARP extend to December 31, 2025, with mutual options to further extend the relationship until the end of 2030, and give the Company exclusive right to use the AARP brand on the Company's Medicare Advantage, Medicare Supplement and Medicare Part D offerings, subject to certain limited exclusions.

A. Accounting Practices

The statutory basis financial statements (herein referred to as "financial statements") are presented on the basis of accounting practices prescribed or permitted by the Connecticut Insurance Department (the "Department").

The Department recognizes only statutory accounting practices, prescribed or permitted by the State, for determining and reporting the financial condition and results of operations of a life, accident, and health insurer, and for determining its solvency under Connecticut Insurance Law. The State prescribes the use of the National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures manual ("NAIC SAP") in effect for the accounting periods covered in the financial statements.

No significant differences exist between the practices prescribed or permitted by the State and the NAIC SAP which materially affect the statutory basis net income (loss) and capital and surplus, as illustrated in the table below:

	SSAP #	AFS Line Desc	December 31, 2023	December 31, 2022
Net Income (Loss)				
(1) Company state basis	XXX	XXX	$ 2,825,567,243	$ 2,527,737,653
(2) State prescribed practices that are an increase/(decrease) from NAIC SAP: None			-	-
(3) State permitted practices that are an increase/(decrease) from NAIC SAP: None			-	-
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	$ 2,825,567,243	$ 2,527,737,653
Capital and Surplus				
(5) Company state basis	XXX	XXX	$ 6,626,945,574	$ 6,437,089,961
(6) State prescribed practices that are an (6) increase/(decrease) from NAIC SAP: None			-	-
(7) State permitted practices that are an increase/(decrease) from NAIC SAP: None			-	-
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	$ 6,626,945,574	$ 6,437,089,961

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

The preparation of these financial statements in conformity with the NAIC Annual Statement Instructions and the NAIC SAP include certain amounts that are based on the Company's estimates and judgments. These estimates require the Company to apply complex assumptions and judgments, often because the Company must make estimates about the effects of matters that are inherently uncertain and will change in subsequent periods. The most significant estimates relate to aggregate reserve for life contracts and aggregate reserve for accident and health contracts (including premium deficiency reserves ("PDR") (herein referred to as "aggregate reserves for life, accident, and health contracts"), contract claims – life, and contract claims –

accident and health, (herein referred to as “contract claims for life, accident, and health”), benefits under life and accident and health contracts, provision for experience rated refunds (including medical loss ratio (“MLR”) rebates), risk corridor, and risk adjustment estimates. The Company adjusts these estimates each period as more current information becomes available. The impact of any changes in estimates is included in the determination of net income (loss) in the period in which the estimate is adjusted.

C. Accounting Policy

Basis of Presentation — The Company prepares its financial statements on the basis of accounting practices prescribed or permitted by the Department. These statutory practices differ from accounting principles generally accepted in the United States of America (“GAAP”).

The Company has deemed the following to be significant differences between statutory practices and GAAP:

- Certain debt investments categorized as available-for-sale or held-to-maturity under GAAP are presented at the lower of book/adjusted carrying value or fair value in accordance with the NAIC designations in the financial statements, whereas under GAAP, these investments are shown at fair value or book/adjusted carrying value, respectively.

- Cash, cash equivalents, and short-term investments in the financial statements represent cash balances and investments with original maturities of one year or less from the time of acquisition, whereas under GAAP, the corresponding caption of cash, cash equivalents, and short-term investments includes cash balances and investments that will mature in one year or less from the balance sheet date. The Company reported $4,059,738 and $7,218,774 short-term investments as of December 31, 2023 and 2022, respectively.

- Outstanding checks are required to be netted against cash balances in the financial statements, whereas under GAAP, outstanding checks are presented as other liabilities.

- The statutory basis statements of cash flows reconcile the corresponding captions of cash, cash equivalents, and short-term investments, which can include restricted cash reserves, with original maturities of one year or less from the time of acquisition, whereas under GAAP, the statements of cash flows reconcile the corresponding captions of cash, cash equivalents and restricted cash with maturities of three months or less. Short-term investments with a final maturity of one year or less from the balance sheet date are not included in the reconciliation of GAAP cash flows. In addition, there are classification differences within the presentation of the cash flow categories between GAAP and NAIC SAP. The statutory basis statements of cash flows are prepared in accordance with the NAIC Annual Statement Instructions.

- The NAIC SAP provides for an amount to be recorded for deferred taxes on temporary differences between the financial reporting and tax basis of assets, subject to a valuation allowance and admissibility limitations on deferred tax assets, and tax basis of liabilities (see Note 9). In addition, under the NAIC SAP, the net change in deferred tax assets is recorded directly to unassigned funds (surplus) in the financial statements, whereas under GAAP, the net change in deferred tax assets is recorded as a component of the income tax provision within the income statement and is based on the ultimate recoverability of the deferred tax assets. Based on the admissibility criteria under the NAIC SAP, any deferred tax assets determined to be nonadmitted are charged directly to surplus and excluded from the financial statements, whereas under GAAP, such assets are included in the balance sheet.

- Reserves ceded to reinsurers for aggregate reserves for life, accident, and health contracts and contract claims for life, accident, and health have been reported as reductions of the related reserves rather than as assets, which would be required under GAAP.

- Certain assets, including certain aged premium receivables, certain health care and other amounts receivable, certain deferred tax assets, prepaid expenses, and certain amounts receivable relating to uninsured plans are considered nonadmitted assets under the NAIC SAP and are excluded from the financial statements and charged directly to unassigned funds (surplus).

- The change in unearned premium from year to year is reflected as an increase in aggregate reserves for life and accident and health contracts in the financial statements, whereas under GAAP, the change in unearned premium from year to is reported through premium income.

- Premium receipts and benefits on life-type contracts are recorded as premiums for life and accident and health contracts and death benefits in the financial statements. Under GAAP, revenues on life-type contracts are comprised of contract charges and fees, which are recognized when assessed against the policyholder account balance. Additionally, premium receipts on life-type contracts are considered deposits and are recorded as interest-bearing liabilities, while benefits are recognized as expenses in excess of the policyholder account balance.

- Comprehensive income and its components are not separately presented in the financial statements, whereas under GAAP, it is a requirement to present comprehensive income and its components in the financial statements.

Accounting policy disclosures that are required by the NAIC Annual Statement instructions are as follows:

(1–2) Bonds and short-term investments are stated at book/adjusted carrying value if they meet NAIC designation of one through five and stated at the lower of book/adjusted carrying value or fair value if they meet an NAIC designation of six. The Company does not have any mandatory convertible securities or Securities Valuation Office of the NAIC (“SVO”) identified funds (i.e.: exchange traded funds or bond mutual funds) in its bond portfolio. Amortization of bond premium or accretion of discount is calculated using the constant yield interest method. Bonds and short-term investments are valued and reported using market prices published by the SVO in accordance with the NAIC Valuation of Securities manual prepared by the SVO or an external pricing service;

(3–4) Common and preferred stocks include affiliated common stocks, which are carried at the underlying statutory equity value for insurance and health plan affiliates. The Company also holds non-affiliated common stocks which are valued and reported using market prices published by the SVO in accordance with the NAIC Valuations of Securities manual prepared by the SVO or an external pricing service. Changes in value of affiliated and non-affiliated common stocks are recorded as a change in unassigned funds (surplus). Preferred stocks are nonaffiliated and have a carrying value that is calculated in accordance with the guidance set forth in Statement of Statutory Accounting Principles (“SSAP”) No. 32, *Preferred Stock*;

(5) The Company holds no mortgage loans on real estate;

(6) U.S. government and agency securities and corporate debt securities include loan-backed securities (mortgage-backed securities and asset-backed securities), which are valued using the retrospective adjustment methodology. Prepayment assumptions for the determination of the book/adjusted carrying value, commonly referred to as amortized cost, of loan-backed securities are based on a three-month constant prepayment rate history obtained from external data source vendors. The Company's investment policy limits investments in nonagency residential mortgage-backed securities, including home equity and sub-prime mortgages, to 10% of total cash and invested assets. Total combined investments in mortgage-backed securities and asset-backed securities cannot exceed more than 30% of total cash and invested assets;

(7) The Company owns 100% of Oxford Health Insurance, Inc. ("OHI"), UnitedHealthcare Insurance Company of New York ("UHIC NY"), UnitedHealthcare Insurance Company of Illinois ("UHIC IL"), UnitedHealthcare of New Mexico, Inc. ("UHC NM") and Unimerica Life Insurance Company of New York ("ULIC NY"). These are accounted for under the statutory equity method and are included in common stocks in the financial statements, whereas under GAAP, these investments would be consolidated;

(8) The Company has investment interests with respect to joint ventures, partnerships, or limited liability companies;

(9) The Company holds no derivatives;

(10) PDR (inclusive of conversion reserves) and the related expenses are recognized when it is probable that expected future health care expenses, claims adjustment expenses ("CAE"), included in general insurance expenses ("GIE"), direct administration costs, and an allocation of indirect administration costs under a group of existing contracts will exceed anticipated future premiums and reinsurance recoveries considered over the remaining lives of the contracts, and are recorded as aggregate reserve for life, accident, and health contracts in the financial statements. Indirect administration costs arise from activities that are not specifically identifiable to a specific group of existing contracts, and therefore, those costs are fully allocated among the various contract groupings. The allocation of indirect administration costs to each contract grouping is made proportionately to the expected margins remaining in the premiums after future health care expenses, CAE and direct administration costs are considered. The data and assumptions underlying such estimates and the resulting reserves are periodically updated, and any adjustments are reflected as an increase in aggregate reserve for life, accident and health contracts in the financial statements in the period in which the change in estimate is identified. The Company does anticipate investment income as a factor in the PDR calculation (see Note 30);

(11) CAE, included in GIE, are those costs expected to be incurred in connection with the adjustment and recording of accident and health claims. Pursuant to the terms of the Agreement (see Note 10), the Company pays a management fee to its affiliate, UHS, in exchange for administrative and management services. A detailed review of the administrative expenses of the Company and UHS is performed to determine the amount of CAE, included in GIE to be reported in the financial statements. It is the responsibility of UHS to pay CAE in the event the Company ceases operations. The Company has recorded an estimate of unpaid CAE associated with incurred but unpaid claims, which is included in general expenses due or accrued in the financial statements. Management believes the amount of the liability for unpaid CAE as of December 31, 2023 is adequate to cover the Company's cost for the adjustment and recording of unpaid claims; however, actual expenses may differ from those established estimates. Adjustments to the estimates for unpaid CAE, included as a component of general expenses due or accrued are reflected in operating results in the period in which the change in estimate is identified;

(12) Maintenance and repairs that do not improve or extend the life of the respective assets are expensed in the period incurred and included in GIE in the financial statements. The Company has not modified its capitalization policy from the prior period.

Properties Occupied by the Company

Real estate is carried at depreciated cost unless events or circumstances indicate the carrying amount of the asset may not be recoverable. An impairment loss is recognized if the individual carrying amounts exceed the fair value. The new cost basis shall not be changed for subsequent recoveries in fair value. The Company did not recognize any impairment losses on real estate in 2023 and 2022. The Company calculates depreciation using the straight-line method over the estimated useful life of the property, excluding land, which is 35-40 years. Depreciation expense for real estate of $8,823,272 and $10,107,231 in 2023 and 2022, respectively, is netted against net investment income in the financial statements. The Company has recorded rental income for real estate in the amount of $21,011,361 and $21,256,055 in 2023 and 2022, respectively, which is included in net investment income in the financial statements.

The components of properties occupied by the Company at December 31, 2023 and 2022, are as follows:

Properties Occupied by the Company	**2023**	**2022**
Land, buildings, and improvements	$ 313,438,070	$ 313,438,070
Less: accumulated depreciation	(91,879,265)	(83,055,993)
Properties occupied by the Company	221,558,805	230,382,077
Less: nonadmitted land, buildings, and improvements	-	-
Net admitted properties occupied by the Company	$ 221,558,805	$ 230,382,077

(13) Health care and other amounts receivable consist of pharmacy rebates receivable estimated based on the most currently available data from the Company's claims processing systems and from data provided by the Company's affiliated pharmaceutical benefit manager, OptumRx, Inc. ("OptumRx"). Health care and other amounts receivable also include receivables for amounts due to the Company for claim overpayments to providers, hospitals and other health care organizations. Health care and other amounts receivable are considered nonadmitted assets under the NAIC SAP if they do not meet admissibility requirements. Accordingly, the Company has excluded receivables that do not meet the admissibility criteria from the financial statements (see Note 28).

The Company has also deemed the following to be significant accounting policies:

<u>ASSETS</u>

Cash and Invested Assets

- Bonds include securities with a maturity of greater than one year at the time of purchase;

- Cash represents cash held by the Company in disbursement accounts and certificates of deposit with a maturity date of less than one year from acquisition. Claims and other payments are made from the disbursement accounts daily. Cash overdrafts are a result of timing differences in funding disbursement accounts for claims payments;

- Cash equivalents include securities that have original maturity dates of three months or less from the date of acquisition. Cash equivalents also consist of the Company's share of a qualified cash pool sponsored and administered by UHS. The investment pool is recorded at cost or book/adjusted carrying value depending on the composition of the underlying securities. Interest income from the pool accrues daily to participating members based upon ownership percentage. Cash equivalents, excluding money-market funds, are reported at cost or book/adjusted carrying value depending on the nature of the underlying security, which approximates fair value. Money-market funds are reported at fair value or net asset value ("NAV") as a practical expedient;

- Realized capital gains and losses on sales of investments are calculated based upon specific identification of the investments sold. These gains and losses, except for those transferred to the Interest Maintenance Reserve ("IMR"), are reported as net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax ("net realized capital gains (losses) less taxes, excluding transfers") in the financial statements. Transfers to the IMR are net of federal income tax;

- The Company continually monitors the difference between amortized cost and estimated fair value of its investments. If any of the Company's investments experience a decline in value that the Company has determined is other-than-temporary, or if the Company has determined it will sell a security that is in an impaired status, the Company will record a realized loss in net realized capital gains (losses) less taxes, excluding transfers, in the financial statements. The new cost basis is not changed for subsequent recoveries in fair value. The prospective adjustment method is utilized for loan-backed securities for periods subsequent to the loss recognition (see Note 5).

- **Other Invested Assets** — Other invested assets include low-income housing tax credit ("LIHTC") investments which are stated at book/adjusted carrying value, which approximates fair value in the financial statements.

Other Assets

- **Premiums and Considerations** — The Company reports uncollected premium balances from its insured members, groups, CMS, and state Medicaid agencies as premiums and considerations in the financial statements. Uncollected premium balances that are over 90 days past due, with the exception of amounts due from government insured plans, are considered nonadmitted assets. In addition to those balances, current balances are also considered nonadmitted if the corresponding balance greater than 90 days past due is deemed more than inconsequential. Premiums and considerations also include amounts for commercial risk adjustment receivables as defined in Section 1343 of the ACA, CMS risk corridor receivables, and CMS risk adjustment receivables for the Medicare Plans.

  Premium adjustments for the CMS risk corridor program are accounted for as premium adjustments subject to retrospectively rated features (see Note 24). Premium adjustments for the commercial ACA Section 1343 risk adjustment and CMS risk adjustment programs are accounted for as premium adjustments subject to redetermination (see Note 24).

- **Amounts Receivable Relating to Uninsured Plans** — The Company reports amounts due to the Company from CMS, state Medicaid agencies, and groups for the administrative activities it performs for which it has no insurance risk as amounts receivable relating to uninsured plans (see Note 18). Amounts receivable relating to uninsured plans include costs incurred by the Company that are in excess of the cost reimbursement under the Medicare Plans for the catastrophic reinsurance subsidy and the low-income member cost sharing subsidy and amounts due from the pharmaceutical manufacturers for reimbursement of the discounts under the ACA which mandates consumer discounts on brand name prescription drugs for Part D plan participants in the coverage gap. Amounts receivable relating to uninsured plans also includes monies advanced by the Company under the aggregate cash flow option to groups that have opted to participate in the partial self-funded plan, receivables from select groups that offer their retirees Medicare coverage for which the Company administers the Medicare Part D claim payments on behalf of these groups, and pharmacy rebate receivables for partially self-funded plans.

- **Affiliated Note Receivable** — The Company has a subordinated revolving credit agreement with an affiliate, UHS, where UHS can borrow money on a short-term basis from the Company (see Note 10). Pursuant to SSAP No. 25, *Affiliates and Other Related Parties* ("SSAP No. 25"), the Company has admitted the loan which is reported in affiliated note receivable in the financial statements.

LIABILITIES

- **Aggregate Reserves and Contract Claims for Life, Accident, and Health Contracts** — The reserves for disability, accidental death, and life insurance are developed by actuarial methods and are determined based on published or established tables, using interest rates less than or equal to statutorily prescribed interest rates, and valuation methods that will provide, in the aggregate, reserves that are greater than or equal to the minimum or guaranteed cash values or the amounts required by the Department. Tabular interest, tabular less actual reserve released, tabular cost, and tabular interest on funds not involving life contingencies are determined by a formula in accordance with the State statutes. Contract claims reserves include claims processed but not yet paid, estimates for claims received but not yet processed, and estimates for the costs of health care services enrollees have received, but for which claims have not yet been submitted.

  The estimates for aggregate reserves and incurred but not reported contract claims are developed using actuarial methods based upon historical data for payment patterns, cost trends, customer and product mix, seasonality, utilization of health care services, contracted service rates, and other relevant factors. The estimates may change as actuarial methods change or as underlying facts upon which estimates are based change. The Company did not change actuarial methods during the years ended December 31, 2023 and 2022. Management believes the amount of aggregate reserves for life, accident, and health contracts is the best estimate of the Company's liability of aggregate reserves for life, accident, and health contracts as of December 31, 2023; however, actual payments may differ from those established estimates. Adjustments to estimates for aggregate reserves for life, accident, and health contracts are reflected in operating results in the period in which the change in estimate is identified.

  Aggregate reserves and contract claims for life, accident, and health contracts also include the unexpired portion of accident and health insurance premiums received (unearned premiums) and agreements the Company has with certain provider groups that provide for the establishment of a pool which includes monthly premiums payable and the disbursement of funds for medical services. Any surplus in the pool is shared by the Company and the provider group based upon a predetermined risk-sharing percentages, and incentive and bonus arrangements with providers that are based on quality, utilization, and/or various health outcome measures. Additionally, aggregate reserves and contract claims for life, accident, and health contracts include commercial risk adjustment payables as defined in Section 1343 of the ACA (see Note 24) and the estimated amount for PDR (see Note 30).

- **Provision for Experience Rating Refunds** — The Company establishes a liability, net of ceded reinsurance, for estimated accrued retrospective and redetermination premiums due from the Company based on the actuarial method and assumptions for each respective contract. Provision for experience rating refunds also includes estimated MLR rebates payable and risk corridor payables due to state Medicaid agencies.

Additionally, the Company's contract with AARP requires the Company to fund any deficit if cumulative net losses were to exceed that part of the experience rated refund liability attributable to AARP. Any deficit the Company funded could be recovered by underwriting gains in future periods. When the Company entered into the AARP contract, the Company assumed the policy liabilities related to the AARP program and received cash, investments and premium receivables from the previous insurance carrier equal to the carrying value of those liabilities as of the contract inception date (see Note 24).

Premium adjustments for the estimated MLR rebates, Medicaid risk corridor payables, and AARP policy liabilities are accounted for as premium adjustments subject to retrospectively rated features (see Note 24).

- **IMR and Asset Valuation Reserve ("AVR")** — The Company maintains an IMR and an AVR. The IMR is determined based on a formula prescribed by the NAIC whereby the Company defers the portion of realized capital gains and losses on sales of fixed-income investments, principally bonds, attributable to changes in the general level of interest rates and amortizes these deferrals over the remaining period to maturity based on groupings of individual securities sold in five year bands, rather than recognize the realized gains and losses currently. Further, the AVR is determined by the NAIC-prescribed formulas and is reported as a liability rather than as a valuation allowance or appropriation of unassigned funds (surplus) in the financial statements. Under GAAP, realized capital gains and losses are reported in the statements of operations on a pre-tax basis in the period that the asset giving rise to the gain or loss is sold and calculation of allowances are provided where there has been a decline in value deemed other-than-temporary, in which case, the provision for such decline is charged to earnings.

- **Payable to Parent, Subsidiaries, and Affiliates** — In the normal course of business, the Company has various transactions with related parties (see Note 10). The Company reports any unsettled amounts owed as payable to parent, subsidiaries, and affiliates in the financial statements.

- **Liability for Amounts Held Under Uninsured Plans** — Liability for amounts held under uninsured plans represents amounts due from the Company to CMS, state Medicaid agencies, and groups for the administrative activities it performs for which it has no insurance risk (see Note 18). Liability for amounts held under uninsured plans includes a liability for the amounts subject to recoupment under the ACA coverage gap discount program and amounts held by the Company to fund claims related to partial self-funded plans.

CAPITAL AND SURPLUS AND MINIMUM STATUTORY REQUIREMENTS

- **Restricted Cash Reserves** — The Company is in compliance with the various states regulatory deposit requirements as of December 31, 2023 and 2022, respectively, for qualification purposes as a domestic and foreign insurer. These restricted cash reserves are stated at book/adjusted carrying value, which approximates fair value. These restricted deposits are included in bonds, cash, and short-term investments in the financial statements. Interest earned on these deposits accrues to the Company (see Note 5).

- **Minimum Capital and Surplus** — Under the laws of the State of Connecticut, the Company's domiciliary state, the Department requires the Company to maintain a minimum capital and surplus equal to $3,000,000.

  Risk-based capital ("RBC") is a regulatory tool for measuring the minimum amount of capital appropriate for a life, accident and health organization to support its overall business operations in consideration of its size and risk profile. The Department requires the Company to maintain minimum capital and surplus equal to the greater of the state statute as outlined above, or the company action level as calculated by the RBC formula, or the level needed to avoid action pursuant to the trend test in the RBC formula.

The Company has committed to the Department that it will maintain an RBC ratio of no less than 300%.

The Company is also subject to minimum capital and surplus requirements in other states where it is licensed to do business.

The Company is in compliance with the minimum required capital and surplus amounts where it is licensed to do business, as of December 31, 2023 and 2022.

STATEMENTS OF OPERATIONS

- **Premiums for Life and Accident and Health Contracts** — Premiums for life and accident and health contracts are recognized in the period in which enrollees are entitled to receive services and are shown net of reinsurance premiums paid and reinsurance premiums incurred but not paid in the financial statements. The corresponding change in unearned premium from year to year is reflected as a component of the increase in aggregate reserve for life, accident and health contracts in the financial statements.

  Comprehensive commercial health plans with MLRs on fully insured products, as calculated under the definitions in the ACA and implementing regulations, that fall below certain targets are required to rebate ratable portions of premiums annually. The Company has also recorded receivables/payables from employer groups for estimated retrospective premium adjustments due to (from) the Company based on the underlying contractual terms. The Company classifies changes to the estimated rebates and retrospective premium adjustments as premiums for life and accident and health contracts in the financial statements (see Note 24). In addition, pursuant to Section 1343 of the ACA, the Company records premium adjustments for changes to the commercial risk adjustment balances which are reflected in premiums for life and accident and health contracts in the financial statements (see Note 24).

  Medicare Plans with MLRs on fully insured products, as calculated under the definitions in the ACA and implementing regulations, that fall below certain targets are required to rebate ratable portions of premiums annually. In addition, the Company records premium adjustments for changes to the CMS Medicare Plans risk corridor program. The Company has also recorded receivables/payables from employer groups that offer the Medicare Plans to its retiree population and AARP for estimated retrospective premium adjustments due to (from) the Company based on the underlying contractual terms. Changes to these estimates are reflected in premiums for life and accident and health contracts in the financial statements (see Note 24). Premiums for life and accident and health contracts also includes premium under the Medicare Plans which includes CMS premiums, including amounts pursuant to the CMS risk adjustment program (see Note 24), member premiums, and the CMS low-income premium subsidy for the Company’s insurance risk coverage.

  The Medicaid plans are subject to experience rated rebates, including MLRs and risk corridor programs, risk adjustment programs, and performance guarantees based on various utilization measures. The Company records premium adjustments for the changes to the estimates for experience rated rebates and risk corridor programs which are reflected in premiums for life and accident and health contracts and for the risk adjustment program and performance guarantees which are reflected in premiums for life and accident and health contracts in the financial statements (see Note 24). Premiums for life and accident and health contracts also includes amounts paid by state and federal governments on a per member basis in exchange for the provision and administration of medical benefits under the Medicaid and Children's Health Insurance Program ("CHIP"), home nursing risk-sharing payments, high-dollar risk pool payments, and maternity payments. Premiums are contractual and are recognized in the coverage period in which members are entitled to receive services, except in the case of maternity payments. Maternity income is billed on contractual rates and recognized as income as each birth case is identified by the Company.

Premiums for life and accident and health contracts also includes amounts paid jointly by the Massachusetts Department of Health and Human Services and CMS for the Medicare Plans program elements for members enrolled in the MMP. Premiums for life and accident and health contracts is recognized ratably over the period in which eligible individuals are entitled to receive health care services.

- **GIE** — General expenses that have been paid as of the reporting date in addition to general expenses that have been incurred but are not due until a subsequent period are reported as GIE. Pursuant to the terms of the Agreement (see Note 10), the Company pays a management fee to UHS in exchange for administrative and management services. Costs for items not included within the scope of the Agreement are directly expensed as incurred. A detailed review of the administrative expenses of the Company and UHS is performed to determine the amount of CAE, included in GIE.

  Administrative fee revenues consist primarily of fees derived from services performed for customers that self-insure the health care costs of their employees and employees' dependents. Under these contracts, the Company recognizes revenue in the period in which the related services are performed. The customers retain the risk of financing health care costs for their employees and employees' dependents, and the Company administers the payment of customer funds to physicians and other health care professionals from customer-funded bank accounts. As the Company has neither the obligation for funding the health care costs, nor the primary responsibility for providing the medical care, the Company does not recognize premiums for life and accident and health contracts and benefits under life and accident and health contracts for these contracts. Administrative fee revenue and related expenses are netted against GIE in the financial statements (see Note 18).

- **Net Investment Income** — Net investment income includes investment income collected during the period, as well as the change in investment income due and accrued on the Company's holdings. Amortization of premium or discount on bonds and certain external investment management costs are also included in net investment income (see Note 7).

  Under SSAP No. 97 — *Investments in Subsidiary, Controlled, and Affiliated Entities* ("SSAP No. 97"), dividends or distributions received from an investee are recognized in net investment income when declared to the extent that they are not in excess of the undistributed accumulated earnings attributable to the investee. The dividends or distributions are recorded as a return of capital if the amount exceeds the undistributed accumulated earnings attributable to the investee. Dividends received from subsidiary investees during 2023 and 2022 were $1,229,600,000 and $692,700,000, respectively. The Company has recorded its dividends or distributions in accordance with SSAP No. 97 (see Note 10). These dividends qualify for tax-free treatment as a result of the federal dividends received deduction.

- **Benefits under Life and Accident and Health Contracts** — Death benefits and increase in aggregate reserve for life, accident and health contracts includes life claims paid, life claims processed but not yet paid, estimates for life claims received but not yet processed, estimates for life claims where the death has occurred but for which a claim has not been submitted and changes in contract and policy reserves. Benefits under accident and health contracts and increase in aggregate reserve for accident and health contracts include claims paid, claims processed but not yet paid, estimates for claims received but not yet processed, estimates for the costs of health care services enrollees have received but for which claims have not yet been submitted, payments for other medical costs disputes, estimates for payments not yet due on incurred claims and changes in contract and policy reserves.

- **Commissions on Premiums** — Commissions on premiums represent commission expense for external brokers and agents. Expense is recorded when incurred based upon the contract period.

- **Insurance Taxes, Licenses and Fees, Excluding Federal Income Taxes ("Insurance TL&F") —** Insurance TL&F represents taxes, licenses, and fees that have been paid as of the reporting date in addition to taxes, licenses, and fees that have been incurred but are not due until a subsequent period.

REINSURANCE

- **Reinsurance Ceded** — In the normal course of business, the Company seeks to limit its exposure to loss on any single insured and to recover a portion of benefits paid by ceding premium to other insurance enterprises or reinsurers under excess coverage contracts or specific transfer of risk agreements. The Company remains primarily liable as the direct insurer on the risks reinsured (see Note 23).

  The Company has a quota-share reinsurance agreement with Canada Life Assurance Company ("Canada Life"), under which the Company cedes 20% of the premiums earned and claims paid related to the reinsured policies (see Note 23). In addition, 20% of the statutory reserves on the reinsured policies as of the effective date, and subsequent changes in those reserves, are ceded to Canada Life on a funds withheld basis. The agreement also provides for an expense allowance and has an experience refund provision.

- **Reinsurance Assumed** — In the normal course of business, the Company enters into various reinsurance agreements with affiliates and nonaffiliates to assume reinsurance, primarily related to its health products. Reinsurance assumed from nonaffiliates primarily serves to expand the book of business and enhance business relations. Reinsurance assumed from affiliates limits or reduces the risk to affiliates (see Note 23).

OTHER

- **Vulnerability Due to Certain Concentrations** — The Company is subject to substantial federal and state government regulation, including licensing and other requirements relating to the offering of the Company's existing products in new markets and offerings of new products, both of which may restrict the Company's ability to expand its business.

  The Company has one customer that accounted for 25% and 26% of total direct premiums for life and accident and health contracts, for the years ended December 31, 2023 and 2022, respectively. The Company has one customer that accounted for 46% and 47% of uncollected premiums, including receivables for contracts subject to redetermination, as of December 31, 2023 and 2022, respectively.

  Direct premiums for life and accident and health contracts and uncollected premiums, including receivables for contracts subject to redetermination, from members and CMS related to the Medicare Plans as a percentage of total direct premiums for life and accident and health contracts and total uncollected premiums, including receivables for contracts subject to redetermination, are 10% and 6% as of December 31, 2023 and 10% and 8% as of December 31, 2022, respectively.

No individual state Medicaid contract accounted for more than 3% of total direct premiums for life and accident and health contracts as of both December 31, 2023 and December 31, 2022.

Recently Issued Accounting Standards

In May 2023, the NAIC revised SSAP No. 34, *Investment Income Due or Accrued* for the updated presentation of investment income (see Note 7), effective for annual 2023. The Company adopted the revision on the effective date.

The Company reviewed all other recently issued guidance in 2023 and 2022 that has been adopted for 2023 or subsequent years' implementation and has determined that none of the items would have a significant impact to the financial statements.

D. Going Concern

The Company has the ability and will continue to operate for a period of time sufficient to carry out its commitments, obligations and business objectives.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No changes in accounting principles or corrections of errors have been recorded during the years ended December 31, 2023 and 2022.

3. BUSINESS COMBINATIONS AND GOODWILL

A–E. The Company was not party to a business combination during the years ended December 31, 2023 and 2022, and does not carry goodwill in its financial statements.

4. DISCONTINUED OPERATIONS

A. Discontinued Operation Disposed of or Classified as Held for Sale

(1–4) The Company did not have any discontinued operations disposed of or classified as held for sale during 2023 and 2022.

B. Change in Plan of Sale of Discontinued Operation — Not applicable.

C. Nature of any Significant Continuing Involvement with Discontinued Operations after Disposal — Not applicable.

D. Equity Interest Retained in the Discontinued Operation after Disposal — Not applicable.

5. INVESTMENTS

For purposes of calculating gross realized gains and losses on sales of investments, the amortized cost of each investment sold is used. The gross realized gains and losses on sales of long-term investments were $30,145,627 and $32,211,864, respectively, for 2023 and $16,211,281 and $62,576,400, respectively, for 2022. The gross realized gains and losses on sales of short-term investments were $0 and $9,400, respectively, for 2023 and $2,277 and $59,369, respectively, for 2022. The net realized gains and losses are included in net realized capital gains (losses) less taxes, excluding transfers, in the financial statements. Total proceeds on the sale of long-term investments were $1,081,712,016 and $1,293,040,506 and for short-term investments were $5,422,473 and $108,426,593 in 2023 and 2022, respectively.

As of December 31, 2023 and 2022, the book/adjusted carrying value, fair value, and gross unrecognized unrealized gains and losses of the Company's investments, excluding cash and cash equivalents of $1,284,059,989 and $1,391,672,738 respectively, are disclosed in the table below:

	2023				
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value
U.S. government and agency securities	$ 2,213,804,991	$ 4,394,115	$ 2,332,587	$ 182,730,772	$ 2,033,135,747
State and agency municipal securities	651,696,946	2,581,004	385,482	25,825,917	628,066,551
City and county municipal securities	723,736,338	2,973,838	565,889	31,679,231	694,465,056
Corporate debt securities	5,614,533,965	42,291,206	7,640,486	290,231,054	5,358,953,631
Other invested assets	192,181,836	-	-	-	192,181,836
Preferred stocks	20,475,878	-	24,563	128,861	20,322,454
Total bonds, short-term investments, preferred stocks, and other invested assets	$ 9,416,429,954	$ 52,240,163	$ 10,949,007	$ 530,595,835	$ 8,927,125,275

	2023				
	Cost Basis	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value[1]
Investment in subsidiaries	$ 1,181,357,446	$ 1,811,233,203	$ -	$ -	$ 2,992,590,649
Unaffiliated common stocks	123,854,545	57,602,218	133,688	1,568,068	179,755,007
Common stocks	$ 1,305,211,991	$ 1,868,835,421	$ 133,688	$ 1,568,068	$ 3,172,345,656

[1] Investment in subsidiaries are reported using statutory equity

	2023				
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value
Less than one year	$ 271,580,465	$ 369,016	$ 248,963	$ 2,889,946	$ 268,810,572
One to five years	3,079,527,149	24,413,779	2,393,269	116,238,569	2,985,309,090
Five to ten years	2,699,235,492	13,757,340	4,377,120	168,594,801	2,540,020,911
Over ten years	3,366,086,848	13,700,028	3,929,655	242,872,519	3,132,984,702
Total bonds, short-term investments, preferred stocks, and other invested assets	$ 9,416,429,954	$ 52,240,163	$ 10,949,007	$ 530,595,835	$ 8,927,125,275

	2022				
	Book/Adjusted Carrying Value	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value
U.S. government and agency securities	$ 2,062,934,445	$ 2,708,223	$ 108,995,556	$ 116,334,902	$ 1,840,312,210
State and agency municipal securities	687,559,555	1,876,466	32,369,238	6,530,950	650,535,833
City and county municipal securities	778,826,032	1,610,727	40,152,767	8,449,301	731,834,691
Corporate debt securities	5,772,434,924	19,725,762	284,400,684	181,049,122	5,326,710,880
Other invested assets	134,901,103	-	-	-	134,901,103
Preferred stocks	24,985,378	-	243,149	23,875	24,718,354
Total bonds, short-term investments, preferred stocks, and other invested assets	$ 9,461,641,437	$ 25,921,178	$ 466,161,394	$ 312,388,150	$ 8,709,013,071

	2022				
	Cost Basis	Gross Unrecognized Unrealized Gains	Gross Unrecognized Unrealized Losses < 1 Year	Gross Unrecognized Unrealized Losses > 1 Year	Fair Value[1]
Investment in subsidiaries	$ 1,181,357,446	$ 2,288,785,298	$ -	$ -	$ 3,470,142,744
Unaffiliated common stocks	117,659,030	49,501,764	3,073,072	563,535	163,524,187
Common stocks	$ 1,299,016,476	$ 2,338,287,062	$ 3,073,072	$ 563,535	$ 3,633,666,931

[1] Investment in subsidiaries are reported using statutory equity

Included in U.S. government and agency securities and corporate debt securities in the tables above are mortgage-related loan-backed securities, which do not have a single maturity date. For the years to maturity table above, these securities have been presented in the maturity group based on the securities' final maturity date and at a book/adjusted carrying value of $3,070,009,811 and fair value of $2,887,108,066.

Common stocks include statutory operations of the Company's insurance subsidiaries, OHI, UHIC NY, UHIC IL, UHC NM, and ULIC NY, as reported in their respective annual statements for the years ended December 31, 2023 and 2022. A combined summary is as follows:

	2023	2022
Admitted assets	$ 5,118,967,424	$ 5,614,112,853
Total liabilities	2,126,376,775	2,143,970,109
Capital and surplus	2,992,590,649	3,470,142,744
Net income	744,405,358	687,236,452

The following table illustrates the fair value and gross unrecognized unrealized losses, aggregated by investment category and length of time that the individual securities have been in a continuous unrecognized unrealized loss position as of December 31, 2023 and 2022:

2023	< 1 Year		> 1 Year		Total	
	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses
U.S. government and agency securities	$ 234,520,660	$ 2,332,587	$ 1,456,327,063	$ 182,730,772	$ 1,690,847,723	$ 185,063,359
State and agency municipal securities	100,138,361	385,482	351,510,334	25,825,917	451,648,695	26,211,399
City and county municipal securities	100,289,647	565,889	387,005,796	31,679,231	487,295,443	32,245,120
Corporate debt securities	292,267,614	7,640,486	3,464,156,319	290,231,054	3,756,423,933	297,871,540
Preferred stocks	6,504,055	24,563	13,818,400	128,861	20,322,455	153,424
Total bonds, short-term investments, and preferred stocks	$ 733,720,337	$ 10,949,007	$ 5,672,817,912	$ 530,595,835	$ 6,406,538,249	$ 541,544,842

2022	< 1 Year		> 1 Year		Total	
	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses	Fair Value	Gross Unrecognized Unrealized Losses
U.S. government and agency securities	$ 1,032,322,076	$ 108,995,556	$ 633,755,397	$ 116,334,902	$ 1,666,077,473	$ 225,330,458
State and agency municipal securities	453,842,322	32,369,238	50,318,582	6,530,950	504,160,904	38,900,188
City and county municipal securities	524,963,665	40,152,767	50,394,968	8,449,301	575,358,633	48,602,068
Corporate debt securities	3,372,075,318	284,400,684	1,420,314,032	181,049,122	4,792,389,350	465,449,806
Preferred stocks	12,357,844	243,149	2,384,100	23,875	14,741,944	267,024
Total bonds, short-term investments, and preferred stocks	$ 5,395,561,225	$ 466,161,394	$ 2,157,167,079	$ 312,388,150	$ 7,552,728,304	$ 778,549,544

The unrecognized unrealized losses on investments in U.S. government and agency securities, state and agency municipal securities, city and county municipal securities, and corporate debt securities at December 31, 2023 and 2022, were mainly caused by interest rate fluctuations and not by unfavorable changes in the credit ratings associated with these securities. The Company evaluates impairment at each reporting period for each of the securities whereby the fair value of the investment is less than its book/adjusted carrying value. The contractual cash flows of the U.S. government and agency securities are guaranteed either by the U.S. government or an agency of the U.S. government. It is expected that the securities would not be settled at a price less than the cost of the investment, and the Company does not intend to sell the investment until the unrealized loss is fully recovered. The Company assessed the credit quality of the state and agency municipal securities, city and county municipal securities and corporate debt securities, noting whether a significant deterioration since purchase or other factors that may indicate an other-than temporary impairment ("OTTI"), such as the length of time and extent to which fair value has been less than cost, the financial condition, and near term prospects of the issuer as well as specific events or circumstances that may influence the operations of the issuer and the Company's intent to sell the investment. Additionally, the Company evaluated its intent and ability to retain loan-backed securities for a period of time sufficient to recover the amortized cost. As a result of these reviews, the Company recorded OTTIs of $6,954,919 and $5,183,543 as of December 31, 2023 and 2022, respectively, which are included in net realized capital gains (losses) less taxes, excluding transfers, in the financial statements.

Net realized capital gains (losses) less taxes, excluding transfers, as of December 31, 2023 and 2022, are as follows:

	2023	2022
Realized capital losses — net of related taxes of $(1,737,616) and $(10,893,634) in 2023 and 2022, respectively	$ (7,248,082)	$ (41,001,090)
Less amount transferred to IMR — net of related taxes of $(849,533) and $(11,952,857) in 2023 and 2022, respectively	3,195,863	44,965,510
Net realized capital gains (losses) — net of tax and amounts transferred to IMR	$ (4,052,219)	$ 3,964,420

A–C. The Company has no mortgage loans, real estate loans, restructured debt, or reverse mortgages. The Company also has no real estate property held for the production of income or real estate property held for sale. The Company has not recognized any impairment losses on real estate properties occupied by the Company as of December 31, 2023 and 2022.

D. Loan-Backed Securities

(1) U.S. government and agency securities and corporate debt securities include loan-backed securities (mortgage-backed securities and asset-backed securities), which are valued using the retrospective adjustment methodology. Prepayment assumptions for the determination of the book/adjusted carrying value, commonly referred to as amortized cost, of loan-backed securities are based on a three-month constant prepayment rate history obtained from external data source vendors.

(2) As of December 31, 2023, the Company has classified loan-backed securities that have OTTIs as intent to sell. For the remaining loan-backed securities, the Company has the intent and ability to retain the investment in the security for a period of time sufficient to recover the amortized cost basis and determined that the present value of cash flows to be collected is equal to or exceeds the amortized cost basis of the security, as of December 31, 2023. The table below illustrates the aggregate OTTIs recognized on loan-backed securities classified on the basis for the OTTI during 2023:

	1	2		3
	Amortized Cost Basis before Other-than-Temporary Impairment	Other-than-Temporary Impairment Recognized in Loss		Fair Value 1 - (2a + 2b)
		(2a) Interest	(2b) Non-interest	
OTTI Recognized 1st Quarter				
a. Intent to sell	$ 1,180,000	$ -	$ 99,049	$ 1,080,951
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
c. Total 1st Quarter	$ 1,180,000	$ -	$ 99,049	$ 1,080,951
OTTI Recognized 2nd Quarter				
d. Intent to sell	$ 3,287,371	$ -	$ 294,371	$ 2,993,000
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
f. Total 2nd Quarter	$ 3,287,371	$ -	$ 294,371	$ 2,993,000
OTTI Recognized 3rd Quarter				
g. Intent to sell	$ 14,011,555	$ -	$ 70,493	$ 13,941,062
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
i. Total 3rd Quarter	$ 14,011,555	$ -	$ 70,493	$ 13,941,062
OTTI Recognized 4th Quarter				
j. Intent to sell	$ 2,137,763	$ -	$ 354,895	$ 1,782,868
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	-	-	-	-
l. Total 4th Quarter	$ 2,137,763	$ -	$ 354,895	$ 1,782,868
m. Annual aggregate total		$ -	$ 818,808	

The Company did not recognize any OTTIs on loan-backed securities due to an inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis, or where the present value of cash flows expected to be collected is less than the amortized cost basis of the security, as of December 31, 2023.

(3) The table below represents the loan-backed securities with an OTTI for the years ended December 31, 2023 and 2022, presented by CUSIP:

2023

1	2	3	4	5	6	7
CUSIP	**Book/Adjusted Carrying Value Amortized Cost before Current Period OTTI**	**Present Value of Projected Cash Flows**	**Recognized Other-than-Temporary Impairment**	**Amortized Cost After Other-than-Temporary Impairment**	**Fair Value at Time of OTTI**	**Date of Financial Statement Where Reported**
36167RAA1	$ 1,180,000	$ 1,080,951	$ 99,049	$ 1,080,951	$ 1,080,951	3/31/2023
12625XAA5	300,662	273,750	26,912	273,750	273,750	6/30/2023
12625XAA5	2,986,709	2,719,250	267,459	2,719,250	2,719,250	6/30/2023
08181LAU1	1,905,000	1,889,025	15,975	1,889,025	1,889,025	9/30/2023
50190AAK8	2,905,000	2,888,745	16,255	2,888,745	2,888,745	9/30/2023
92915PAH8	2,112,100	2,102,948	9,152	2,102,948	2,102,948	9/30/2023
55820YAA5	3,592,661	3,581,760	10,902	3,581,760	3,581,760	9/30/2023
14311XAA0	1,490,176	1,485,040	5,136	1,485,040	1,485,040	9/30/2023
87167GAA8	2,006,618	1,993,545	13,073	1,993,545	1,993,545	9/30/2023
05551JAA8	2,137,763	1,782,868	354,895	1,782,868	1,782,868	12/31/2023
Total	XXX	XXX	$ 818,808	XXX	XXX	XXX

2022

1	2	3	4	5	6	7
CUSIP	**Book/Adjusted Carrying Value Amortized Cost before Current Period OTTI**	**Present Value of Projected Cash Flows**	**Recognized Other-than-Temporary Impairment**	**Amortized Cost After Other-than-Temporary Impairment**	**Fair Value at Time of OTTI**	**Date of Financial Statement Where Reported**
61769GAL1	$ 2,391,483	$ 2,212,147	$ 179,336	$ 2,212,147	$ 2,212,147	3/31/2022
61764XAN5	1,294,478	1,251,481	42,997	1,251,481	1,251,481	3/31/2022
61769GAL1	2,279,731	2,222,157	57,574	2,222,157	2,222,157	6/30/2022
Total	XXX	XXX	$ 279,907	XXX	XXX	XXX

(4) The following table illustrates the fair value, gross unrecognized unrealized losses, and length of time that the loan-backed securities have been in a continuous unrecognized unrealized loss position as of December 31, 2023 and 2022:

	2023
The aggregate amount of unrealized losses:	
1. Less than 12 months	$ 3,259,294
2. 12 months or longer	187,393,796
The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months	291,117,947
2. 12 months or longer	1,958,380,049

	2022
The aggregate amount of unrealized losses:	
1. Less than 12 months	$ 131,003,098
2. 12 months or longer	119,297,677
The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months	1,670,715,603
2. 12 months or longer	905,102,192

(5) The Company believes that it will continue to collect timely the principal and interest due on its loan-backed securities that have an amortized cost in excess of fair value. The unrealized losses were primarily caused by interest rate changes and not by unfavorable changes in the credit quality associated with these securities that impacted the assessment on collectability of principal and interest. At each reporting period, the Company evaluates available-for-sale debt securities for any credit-related impairment when the fair value of the investment is less than its amortized cost. The Company evaluated the expected cash flows and the underlying credit quality and credit ratings of the issuers, noting no significant credit deterioration since purchase. As of December 31, 2023, the unrealized loss on any security that the Company classified as available for sale was not material to the Company's investment portfolio. Any other securities in an unrealized loss position as of December 31, 2023, the Company considers to be temporary.

E. **Dollar Repurchase Agreements and/or Securities Lending Transactions** — Not applicable.

F. **Repurchase Agreements Transactions Accounted for as Secured Borrowing** — The Company has a Master Repurchase Agreement with Northern Trust, under which the Company can borrow up to $500,000,000 as secured borrowings. There were no outstanding balances under this agreement as of December 31, 2023 or December 31, 2022.

G. **Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing** — Not applicable.

H. **Repurchase Agreements Transactions Accounted for as a Sale** — Not applicable.

I. **Reverse Repurchase Agreements Transactions Accounted for as a Sale** — Not applicable.

J. Real Estate — Not applicable.

K. LIHTC

(1–7) LIHTC investments of $138,365,986 and $131,553,446 as of December 31, 2023 and 2022, respectively, are included in other invested assets in the financial statements. The Company also has a corresponding commitment for additional investment of $43,676,149 and $58,242,023 as of December 31, 2023 and 2022, respectively (see Note 14). The number of remaining years of unexpired tax credits is 10 years and the required holding period for the LIHTC investments is 14 years. The LIHTC investments are not currently subject to any regulatory reviews. The Company did not recognize any impairment losses, write-downs, or reclassifications during 2023 or 2022.

L. Restricted Assets

(1) Restricted assets, including pledged securities as of December 31, 2023 and 2022, are presented below:

	Gross (Admitted & Nonadmitted) Restricted									Percentage	
	Current Year										
	1	2	3	4	5	6	7	8	9	10	11
Restricted Asset Category	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 Plus 3)	Total from Prior Year	Increase/ (Decrease) (5 Minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
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	2,461,879	-	-	-	2,461,879	2,529,237	(67,358)	-	2,461,879	<1 %	<1 %
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	$ 2,461,879	$ -	$ -	$ -	$ 2,461,879	$ 2,529,237	$ (67,358)	$ -	$ 2,461,879	- %	- %

(a) Subset of column 1
(b) Subset of column 3
(c) Column 5 divided by Asset Page, Column 1, Line 28
(d) Column 9 divided by Asset Page, Column 3, Line 28

(2–4) The Company has no assets pledged as collateral not captured in other categories and no other restricted assets as of December 31, 2023 or 2022.

M. Working Capital Finance Investments — Not applicable.

N. Offsetting and Netting of Assets and Liabilities

The Company does not have any offsetting or netting of assets and liabilities as it relates to derivatives, repurchase and reverse repurchase agreements, and securities borrowing and securities lending activities.

O. 5GI Securities

The Company does not have any investments with an NAIC designation of 5GI as of December 31, 2023 and 2022.

P. Short Sales — Not applicable.

Q. Prepayment Penalty and Acceleration Fees

The following table illustrates prepayment penalty and acceleration fees as of December 31, 2023:

	General Account	Separate Account
1. Number of CUSIPs	68	-
2. Aggregate amount of investment income	$ 110,689	$ -

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

The Company's investment in the qualified cash pool is reported in cash equivalents. The Company's investment in the qualified cash pool is $1,800,974,320 and $1,473,886,606 as of December 31, 2023 and December 31, 2022, respectively. The following table presents the percent share distribution by underlying asset type of the total qualified cash pool balance as of December 31, 2023:

Asset Type	Percent Share
(1) Cash	8 %
(2) Cash equivalents	59
(3) Short-term investments	33
(4) Total	100 %

6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

A–B. The Company has no investments in joint ventures, partnerships, or limited liability companies that exceed 10% of admitted assets and did not recognize any impairment write-down for its investments in joint ventures, partnerships, and limited liability companies during the statement periods.

7. INVESTMENT INCOME

A. The Company excludes all investment income due and accrued amounts that are over 90 days past due from the financial statements.

B. There were no investment income amounts excluded from the financial statements.

C. The following table illustrates the gross interest income due and accrued, nonadmitted interest income due and accrued and admitted interest income due and accrued amounts as of December 31, 2023 and 2022:

	2023
Interest income due and accrued:	
1. Gross	$ 63,716,704
2. Nonadmitted	-
3. Admitted	63,716,704

	2022
Interest income due and accrued:	
1. Gross	$ 71,026,834
2. Nonadmitted	-
3. Admitted	71,026,834

D. The Company has no aggregated deferred interest as of December 31, 2023 or 2022.

E. The Company has no paid-in-kind interest as of December 31, 2023 or 2022.

8. DERIVATIVE INSTRUMENTS

A–B. The Company has no derivative instruments.

9. INCOME TAXES

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act. Included in the Inflation Reduction Act was a new corporate alternative minimum tax (“CAMT”). The CAMT is calculated as 15% of adjusted financial statement income and applies only to corporations with average annual adjusted financial statement income in excess of $1 billion for three prior taxable years. The applicability of the CAMT is determined on a tax-controlled group basis.

The Company is included in the consolidated federal income tax return with its ultimate parent, UnitedHealth Group which constitutes a controlled group. The controlled group’s expected federal income tax will exceed the CAMT and therefore the Company does not expect to be subject to the minimum tax.

The controlled group has not made any material modifications to the methodology used to project the CAMT.

A. Deferred Tax Asset/Liability

(1) The components of the net deferred tax asset at December 31, 2023 and 2022 are as follows:

	2023			2022			Change		
	1	2	3 (Col 1 + 2)	4	5	6 (Col 4 + 5)	7 (Col 1 - 4)	8 (Col 2 - 5)	9 (Col 7 + 8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	$ 546,040,717	$ 3,309	$ 546,044,026	$ 477,167,765	$ 3,309	$ 477,171,074	$ 68,872,952	$ -	$ 68,872,952
(b) Statutory valuation allowance adjustments	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	546,040,717	3,309	546,044,026	477,167,765	3,309	477,171,074	68,872,952	-	68,872,952
(d) Deferred tax assets nonadmitted	111,021,689	-	111,021,689	83,705,042	-	83,705,042	27,316,647	-	27,316,647
(e) Subtotal net admitted deferred tax asset (1c - 1d)	435,019,028	3,309	435,022,337	393,462,723	3,309	393,466,032	41,556,305	-	41,556,305
(f) Deferred tax liabilities	16,876,867	11,377,956	28,254,823	44,893,262	9,592,175	54,485,437	(28,016,395)	1,785,781	(26,230,614)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	$ 418,142,161	$ (11,374,647)	$ 406,767,514	$ 348,569,461	$ (9,588,866)	$ 338,980,595	$ 69,572,700	$ (1,785,781)	$ 67,786,919

(2) The components of the adjusted gross deferred tax assets admissibility calculation under SSAP No. 101, *Income Taxes*, are as follows:

	2023			2022			Change		
	1	2	3 (Col 1 + 2)	4	5	6 (Col 4 + 5)	7 (Col 1 - 4)	8 (Col 2 - 5)	9 (Col 7 + 8)
Admission Calculation Components SSAP No. 101	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	$ 388,035,150	$ -	$ 388,035,150	$ 316,042,838	$ -	$ 316,042,838	$ 71,992,312	$ -	$ 71,992,312
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	18,732,364	-	18,732,364	22,937,757	-	22,937,757	(4,205,393)	-	(4,205,393)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	18,732,364	-	18,732,364	22,937,757	-	22,937,757	(4,205,393)	-	(4,205,393)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	989,793,203	XXX	XXX	1,029,224,084	XXX	XXX	(39,430,881)
(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	28,251,514	3,309	28,254,823	54,482,128	3,309	54,485,437	(26,230,614)	-	(26,230,614)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	$ 435,019,028	$ 3,309	$ 435,022,337	$ 393,462,723	$ 3,309	$ 393,466,032	$ 41,556,305	$ -	$ 41,556,305

(3) The ratio percentage and adjusted capital and surplus used to determine the recovery period and threshold limitations for the admissibility calculation are presented below:

	2023	**2022**
(a) Ratio percentage used to determine recovery period and threshold limitation amount	>300%	>300%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)(2) above	$ 6,598,621,355	$ 6,861,493,891

(4) The impact to the gross deferred tax assets balances as a result of tax-planning strategies as of December 31, 2023 and 2022 is presented below:

Impact of Tax-Planning Strategies	2023		2022		Change	
	1	2	3	4	5	6
	Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(Col 2 - 4) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets by tax character as a percentage.						
1. Adjusted gross DTAs amount from Note 9A1(c)	$ 546,040,717	$ 3,309	$ 477,167,765	$ 3,309	$ 68,872,952	$ -
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)	$ 435,019,028	$ 3,309	$ 393,462,723	$ 3,309	$ 41,556,305	$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax-planning strategies	- %	- %	- %	- %	- %	- %
(b) Does the Company's tax-planning strategies include the use of reinsurance?			Yes ______		No X	

B. Unrecognized Deferred Tax Liabilities

(1–4) There are no unrecognized deferred tax liabilities for the years ended December 31, 2023 and 2022.

C. Significant Components of Income Taxes

(1) The current federal income taxes incurred for the years ended December 31, 2023 and 2022 are as follows:

	1	2	3
	2023	2022	(Col 1 - 2) Change
1. Current income tax			
(a) Federal	$ 585,152,332	$ 599,603,384	$ (14,451,052)
(b) Foreign	-	-	-
(c) Subtotal (1a + 1b)	585,152,332	599,603,384	(14,451,052)
(d) Federal income tax on net capital gains (losses)	(1,737,616)	(10,893,634)	9,156,018
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred (1c + 1d + 1e + 1f)	$ 583,414,716	$ 588,709,750	$ (5,295,034)

(2–4) The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities as of December 31, 2023 and 2022, are as follows:

	1 2023	2 2022	3 (Col 1 - 2) Change
2 Deferred tax assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	$ 128,005,778	$ 119,211,705	$ 8,794,073
(2) Unearned premium reserve	27,335,162	31,207,794	(3,872,632)
(3) Policyholder reserves	97,198,143	45,010,197	52,187,946
(4) Investments	-	-	-
(5) Deferred acquisition costs	191,177,685	176,904,517	14,273,168
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables — nonadmitted	89,927,640	68,997,668	20,929,972
(11) Net operating loss carryforward	-	-	-
(12) Tax credit carryforward	-	-	-
(13) Other	12,396,309	35,835,884	(23,439,575)
(99) Subtotal (sum of 2a1 through 2a13)	546,040,717	477,167,765	68,872,952
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	111,021,689	83,705,042	27,316,647
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	435,019,028	393,462,723	41,556,305
(e) Capital:			
(1) Investments	3,309	3,309	-
(2) Net capital loss carryforward	-	-	-
(3) Real estate	-	-	-
(4) Other	-	-	-
(99) Subtotal (2e1 + 2e2 + 2e3 + 2e4)	3,309	3,309	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	3,309	3,309	-
(i) Admitted deferred tax assets (2d + 2h)	435,022,337	393,466,032	41,556,305
3 Deferred tax liabilities:			
(a) Ordinary:			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other	16,876,867	44,893,262	(28,016,395)
(99) Subtotal (3a1 + 3a2 + 3a3 + 3a4 + 3a5)	16,876,867	44,893,262	(28,016,395)
(b) Capital:			
(1) Investments	-	-	-
(2) Real estate	-	-	-
(3) Other	11,377,956	9,592,175	1,785,781
(99) Subtotal (3b1 + 3b2 + 3b3)	11,377,956	9,592,175	1,785,781
(c) Deferred tax liabilities (3a99 + 3b99)	28,254,823	54,485,437	(26,230,614)
4 Net deferred tax assets/liabilities (2i - 3c)	$ 406,767,514	$ 338,980,595	$ 67,786,919

The Company assessed the potential realization of the gross deferred tax asset and as a result no statutory valuation allowance was required and no allowance was established as of December 31, 2023 and 2022.

D. The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate of 21% to net income before federal income taxes incurred, less capital gains benefit. A summarization of the significant items causing this difference as of December 31, 2023 and 2022 is as follows:

	2023		2022	
	Amount	**Effective Tax Rate**	**Amount**	**Effective Tax Rate**
Tax provision at the federal statutory rate	$ 716,443,466	21 %	$ 655,909,089	21 %
Capital gains	(1,215,865)	-	(10,897,892)	-
Total income tax	715,227,601	21	645,011,197	21
Tax-exempt interest	(4,680,085)	-	(5,107,257)	-
Current year tax credit	(15,575,127)	-	(22,733,123)	(1)
Other current year items	(2,701,166)	-	(5,169,369)	-
Tax effect of nonadmitted assets	(20,884,317)	(1)	6,798,877	-
Prior year true-up	(145,537)	-	1,119,513	-
Subsidiary dividends	(258,216,000)	(8)	(145,467,000)	(4)
ASO Netw ork Charge	73,500,000	2	73,500,000	2
Total statutory income taxes	$ 486,525,369	14 %	$ 547,952,838	18 %
Federal income taxes incurred	$ 585,152,332	17 %	$ 599,603,384	19 %
Capital gains tax	(1,737,616)	-	(10,893,634)	-
Change in net deferred income tax	(96,889,347)	(3)	(40,756,912)	(1)
Total statutory income taxes	$ 486,525,369	14 %	$ 547,952,838	18 %

E. At December 31, 2023, the Company had no net operating loss carryforwards.

Current federal income taxes payable of $246,247,538 and $230,729,522 as of December 31, 2023 and 2022, respectively, are included in the financial statements. Federal income taxes paid, net of refunds, were $567,896,698 and $602,838,466 in 2023 and 2022, respectively.

Federal income taxes incurred of $583,560,251 and $587,444,697 for 2023 and 2022, respectively, are available for recoupment in the event of future net losses.

The Company has not admitted any aggregate amounts of deposits that are included within Section 6603 (“Deposits made to suspend running of interest on potential underpayments, etc.”) of the Internal Revenue Service (“IRS”) Code.

F. The Company is included in the consolidated federal income tax return with its ultimate parent, UnitedHealth Group which constitutes a controlled group. The entities included within the consolidated return are included in the NAIC Statutory Statement Schedule Y — Information Concerning Activities of Insurer Members Of A Holding Company Group. Federal income taxes are paid to or refunded by UnitedHealth Group pursuant to the terms of a tax-sharing agreement, approved by the Board of Directors, under which taxes approximate the amount that would have been computed on a separate company basis, with the exception of net operating losses and capital losses. For these losses the Company receives a benefit at the federal rate in the current year for current taxable losses incurred in that year to the extent losses can be utilized in the consolidated federal return of UnitedHealth Group. UnitedHealth Group currently files income tax returns in the U.S. federal jurisdiction, various states, and foreign jurisdictions. The U.S. IRS has completed exams on UnitedHealth Group’s consolidated income tax returns for fiscal years 2016 and prior. UnitedHealth Group’s 2017 through 2020 tax returns are under review by the IRS under its Compliance Assurance Program. UnitedHealth Group is no longer subject to income tax examinations prior to the 2014 tax year. In general, the Company is subject to examination in non-U.S. jurisdictions for years 2015 and forward.

G. **Tax Contingencies** — Not applicable.

H. **Repatriation Transition Tax** — Not applicable.

I. **Alternative Minimum Tax Credit** — Not applicable.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AND AFFILIATES

A–B. In the ordinary course of business, the Company contracts with several affiliates to provide a wide variety of services to the Company's members. These agreements are filed with and approved by the Department according to Management's understanding of the current requirements and standards. Within the confines of the applicable filed and approved agreements (including subsequent amendments thereto), the amount and types of services provided by these affiliated entities can change year over year.

UHS maintains a private short-term investment pool in which affiliated companies may participate (see Note 1). At December 31, 2023 and 2022, the Company's portion was $1,800,974,320 and $1,473,886,606, respectively and is included in cash equivalents in the financial statements.

The Company has a tax-sharing agreement with UnitedHealth Group (see Note 9).

Cash dividends from wholly owned subsidiaries totaled $1,229,600,000 and $692,700,000 for the years ended December 31, 2023 and 2022, respectively, and are included in net investment income in the financial statements.

The Company paid dividends of $2,520,000,000 and $3,500,000,000 in 2023 and 2022, respectively, to its parent (see Note 13).

The Company held a $1,000,000,000 subordinated revolving credit agreement with UnitedHealth Group at an interest rate of London InterBank Offered Rate ("LIBOR") plus a margin of 0.50%. This credit agreement was subordinate to the extent it did not conflict with any credit facility held by either party. This agreement was terminated effective December 31, 2022, due to the elimination of LIBOR as an interest rate benchmark in 2023. No amounts were outstanding under the line of credit as of December 31, 2022. This agreement was replaced with a new agreement, which was effective as of January 1, 2023.

Effective January 1, 2023, the Company entered into a new subordinated revolving credit agreement with UHS at an interest rate of Fed Funds Target rate – Upper Bound plus 50 basis points. The Company's subordinated credit agreement value is below the holding company threshold of the lesser of 3% of admitted assets or 25% of capital and surplus. This agreement has replaced the previous agreement, which was held to an interest rate of London InterBank Offered Rate plus a margin of 50 basis points.

Effective April 1, 2023, the Company entered into a new subordinated revolving credit agreement with UHS at an interest rate of Fed Funds Target rate – Upper Bound plus 50 basis points. The Company's subordinated credit agreement limit equals $1,000,000,000. This agreement has been approved by the Department and has replaced the previous agreement, which was held to the holding company threshold of the lesser of 3% of admitted assets or 25% of capital and surplus.

The Company also has a subordinated debt agreement with UHS. Under this agreement, UHS can borrow money on a short-term basis from the Company. The aggregate principal amount that may be outstanding at any time is the lesser of 3% of the Company's admitted assets or 25% of the Company's policyholder surplus as of the preceding December 31. The Company has received approval from the Department to admit this receivable in the financial statements. As of December 31, 2023 and 2022, the outstanding balance under this agreement is $625,000,000 and $680,000,000, respectively, which is reported in affiliated note receivable in the financial statements. The total amount of interest earned through the reporting period is $30,676,996 and $9,428,631, which includes interest receivable on the note of $28,504,774 and $263,047 as of December 31, 2023 and 2022, respectively.

The Company has reinsurance agreements with affiliated entities (see Note 23).

C. The Company has no material related party transactions that meet the disclosure requirements to SSAP No. 25 that are not included in NAIC Statutory Statement Schedule Y — Part 2 Summary Of Insurer's Transactions With Any Affiliates.

D. At December 31, 2023 and 2022, the Company reported $957,254,332 and $689,955,224, respectively, as payable to parent, subsidiaries, and affiliates, which are included in the financial statements. These balances are generally settled within 90 days from the incurred date. Any balances due to the Company that are not settled within 90 days are considered nonadmitted assets.

E. The administrative services, access fees, and cost of care services provided by affiliates are calculated using one or more of the following methods: (1) a percentage of premiums; (2) use of assets; (3) direct pass-through of charges; (4) per member per month; (5) per employee per month; (6) per claim; or (7) a combination thereof consistent with the provisions contained in each contract. These amounts are included in GIE and benefits under life and accident and health contracts in the financial statements. The following table identifies the amounts reported for the administrative services, access fees, and cost of care services provided by related parties for the years ended December 31, 2023 and 2022, which meet the disclosure requirements pursuant to SSAP No. 25, regardless of the effective date of the contract:

	2023	**2022**
OptumRx	$ 7,354,082,686	$ 6,694,039,096
UHS	3,111,220,253	2,916,178,884
United Behavioral Health	440,835,253	431,198,446

OptumRx provides services that may include, but are not limited to, administrative services related to pharmacy management and pharmacy claims processing for enrollees, manufacturer rebate administration, pharmacy incentive services, specialty drug pharmacy services, durable medical equipment services including orthotics and prosthetics and personal health products catalogues showing the healthcare products and benefit credits enrollees needed to redeem the respective products.

UHS provides, or arranges for the provision of, management, administrative, and other services deemed necessary or appropriate for UHS to provide management and operational support to the Company. The services can include, but are not limited to, the categories of management and operational services outlined in the Agreement, such as human resources, legal, facilities, general administration, treasury and investment functions, claims adjudication and payment, benefit administration, disease management, health care decision support, medical management, credentialing, preventative health services, utilization management reporting and expenses incurred for new business that will be effective in the subsequent year.

United Behavioral Health provides services related to mental health and substance abuse treatment.

F. The Company provides a guarantee to the state of New Jersey that its affiliate, Care Improvement Plus South Central Insurance Company, will maintain capital and surplus that meets or exceeds the minimum amount as required by the state of New Jersey.

The Company provides a commitment to the New York State Department of Financial Services that the premium-to-surplus ratio for its wholly owned subsidiary, UHIC NY, is not more than four-to-one.

The Company unconditionally guarantees any and all future liabilities of its affiliate, Centurion Casualty Company, to the state of New Jersey.

G. The Company is part of an insurance holding company system with UnitedHealth Group as the ultimate parent. Management believes that the Company's transactions with affiliates are fair and reasonable; however, operations of the Company may not be indicative of those that would have occurred if it had operated as an independent company.

H. The Company does not have any amount deducted from the value of an upstream intermediate entity or ultimate parent owned, either directly or indirectly, via a downstream subsidiary, controlled, or affiliated entity.

I. The Company does not have any investments in a subsidiary, controlled, or affiliated entity that exceeds 10% of admitted assets.

J. The Company does not have any investments in impaired subsidiaries, controlled, or affiliated entities.

K. The Company does not have any investments in foreign insurance subsidiaries.

L. The Company does not hold any investments in a downstream noninsurance holding company.

M. The Company has investments in noninsurance subsidiaries, controlled, or affiliated entities.

N. The Company has investments in insurance subsidiaries, controlled, or affiliated entities.

O. The Company does not have any investments in subsidiary, controlled, or affiliated entities or joint ventures, partnerships, and limited liability companies in which the Company's share of losses exceeds the investment.

11. DEBT

A–B. The Company had no outstanding debt with third-parties or outstanding Federal Home Loan Bank agreements during 2023 and 2022.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A–I. The Company has no defined benefit plans, defined contribution plans, multiemployer plans, consolidated/holding company plans, postemployment benefits, or compensated absences plans and is not impacted by the Medicare Modernization Act on postretirement benefits, since all personnel are employees of UHS, which provides services to the Company under the terms of the Agreement (see Note 10).

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS, AND QUASI-REORGANIZATIONS

A–B. The Company has 1,000 shares authorized and 500 shares issued and outstanding of $6,000 par value common stock. The Company has no preferred stock outstanding. All issued and outstanding shares of common stock are held by the Company's parent, UHIC.

C. Dividend payment requirements are outlined in the domiciliary state statutes and may be further restricted by the Department.

D. The Company distributed the following dividends in 2023 and 2022. The dividends complied with the provisions set forth in the statutes of Connecticut and were recorded as a reduction to unassigned funds (surplus) in the financial statements.

- On February 15, 2023, the Company declared an extraordinary cash dividend of $750,000,000 to the sole shareholder, UHIC. The dividend, which was approved by the Department, was paid on March 17, 2023.

- On May 18, 2023, the Company declared an extraordinary cash dividend of $750,000,000 to UHIC. The dividend, which was approved by the Department, was paid on June 20, 2023.

- On August 17, 2023, the Company declared an extraordinary cash dividend of $520,000,000 to UHIC. The dividend, which was approved by the Department, was paid on September 18, 2023.

- On December 4, 2023, the Company declared an ordinary cash dividend of $500,000,000 to UHIC. The dividend was paid on December 19, 2023.

- On February 17, 2022, the Company declared an extraordinary cash dividend of $750,000,000 to UHIC. The dividend, which was approved by the Department, was paid on March 21, 2022.

- On May 20, 2022, the Company declared an extraordinary cash dividend of $750,000,000 to UHIC. The dividend, which was approved by the Department, was paid on June 21, 2022.

- On August 18, 2022, the Company declared an extraordinary cash dividend of $1,000,000,000 to UHIC. The dividend, which was approved by the Department, was paid on September 16, 2022.

- On November 18, 2022, the Company declared an extraordinary cash dividend of $1,000,000,000 to UHIC. The dividend, which was approved by the Department, was paid on December 19, 2022.

E. The amount of ordinary dividends that may be paid out during any given period is subject to certain restrictions as specified by state statute.

F. There are no restrictions placed on the Company’s unassigned funds (surplus).

G. The Company is not a mutual reciprocal or a similarly organized entity and does not have advances to surplus not repaid.

H. The Company does not hold any stock, including stock of affiliated companies for special purposes, such as conversion of preferred stock, employee stock options, or stock purchase warrants.

I. The Company does not have any special surplus funds.

J. The portion of unassigned funds (surplus), excluding net income (loss) and dividends, represented (or reduced) by each item below is as follows:

	2023	2022
Unrealized capital gains (losses) on investments	$ 1,524,837,461	$ 1,995,823,633
Net deferred income taxes	529,167,159	432,277,812
Nonadmitted assets	(540,137,918)	(413,372,144)
Asset valuation reserve	(428,343,661)	(813,270,504)
Reinsurance in unauthorized companies	-	(224,126)
Total	$ 1,085,523,041	$ 1,201,234,671

K–M. The Company does not have any outstanding surplus notes and has never been a party to a quasi-reorganization.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

The Company has no contingent commitments.

B. Assessments

(1–2) The Company is not aware of any other guaranty fund assessments or premium tax offsets, potential or accrued, that could have a material financial effect on the operations of the entity other than what is reported below.

(3) Under state guaranty association laws, certain insurance companies can be assessed (up to prescribed limits) for certain obligations to the policyholders and claimants of impaired or insolvent insurance companies that write the same line or similar lines of business. On March 1, 2017, the Commonwealth of Pennsylvania Court entered the written liquidation orders, regarding Penn Treaty Network America Insurance Company and its subsidiary ("Penn Treaty"). As of December 31, 2023 and 2022, the Company has recorded $58,574,765 and $59,282,513, respectively, for its estimated share of the guaranty association assessment liability and $50,346,293 and $53,665,560, respectively, for its associated premium tax credit asset, resulting from the Penn Treaty liquidation, which is included in taxes, licenses and fees due or accrued, excluding federal income taxes and other assets, respectively, in the financial statements. While the ultimate payment timing and associated recovery is currently unknown, the Company initially anticipated that the majority of the assessments would be paid within five years. Management of the Company has subsequently learned that some states have opted to defer the funding to later years and while this impacts the aggregation tables, it does not have a significant financial impact on the guaranty association assessment liability and related expense or the associated premium tax credit asset.

As of December 31, 2023, assessments from insolvencies are presented below:

a. Discount Rate Applied 3.5 %

b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency;

	Guaranty Fund Assessment		Related Assets	
Name of the Insolvency	**Undiscounted**	**Discounted**	**Undiscounted**	**Discounted**
Penn Treaty	$ 112,192,644	$ 58,574,765	$ 76,531,839	$ 50,346,293

c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency;

	Payables			Recoverables		
Name of the Insolvency	**Number of Jurisdictions**	**Range of Years**	**Weighted Average of Number of Years**	**Number of Jurisdictions**	**Range of Years**	**Weighted Average of Number of Years**
Penn Treaty	27	1-45	27	27	1-50	23

C. Gain Contingencies

The Company is not aware of any gain contingencies that should be disclosed in the financial statements.

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's business is regulated at the federal, state, and local levels. The laws and rules governing the Company's business and interpretations of those laws and rules are subject to frequent change. Broad latitude is given to the agencies administering those regulations. Further, the Company must obtain and maintain regulatory approvals to market and sell many of its products.

The Company has been, or is currently involved, in various governmental investigations, audits and reviews. These include routine, regular, and special investigations, audits and reviews by CMS, state insurance and health and welfare departments and other governmental authorities. The Company cannot reasonably estimate the range of loss, if any, that may result from any material government investigations, audits and reviews in which it is currently involved given the inherent difficulty in predicting regulatory action, fines and penalties, if any, and the various remedies and levels of judicial review available to the Company in the event of an adverse finding.

On February 14, 2017, the Department of Justice ("DOJ") announced its decision to pursue certain claims within a lawsuit initially asserted against the Company and filed under seal by a whistleblower in 2011. The whistleblower's complaint, which was unsealed on February 15, 2017, alleges that the Company made improper risk adjustment submissions and violated the False Claims Act. On February 12, 2018, the court granted in part and denied in part the Company's motion to dismiss. In May 2018, the DOJ moved to dismiss the Company's counterclaims, which were filed in March 2018, and moved for partial summary judgment. In March 2019, the court denied the government's motion for partial summary judgment and dismissed the Company's counterclaims without prejudice. The Company cannot reasonably estimate the outcome that may result from this matter given its procedural status.

Because of the nature of its businesses, the Company is frequently made party to a variety of legal actions and regulatory inquiries, including class actions and suits brought by members, care providers, consumer advocacy organizations, customers, and regulators, relating to the Company's businesses, including management and administration of health benefit plans and other services.

The Company records liabilities for its estimates of probable costs resulting from these matters where appropriate. Estimates of costs resulting from legal and regulatory matters involving the Company are inherently difficult to predict, particularly where the matters involve: indeterminate claims for monetary damages or may involve fines, penalties or punitive damages; present novel legal theories or represent a shift in regulatory policy; involve a large number of claimants or regulatory bodies; are in the early stages of the proceedings; or could result in a change in business practices. Accordingly, the Company is often unable to estimate the losses or ranges of losses for those matters where there is a reasonable possibility, or it is probable that a loss may be incurred. Although the outcomes of any such legal actions cannot be predicted, in the opinion of management, the resolution of any currently pending or threatened actions will not have a material adverse effect on the financial statements of the Company.

The Company routinely evaluates the collectability of all receivable amounts included in the financial statements. Impairment reserves are established for those amounts where collectability is uncertain. Based on the Company's past experience, exposure related to uncollectible balances and the potential of loss for those balances not currently reserved for is not material to the Company's statutory basis financial condition.

There are no other assets that the Company considers to be impaired at December 31, 2023 and 2022, except as disclosed in Note 5 and Note 20.

15. LEASES

A–B. According to the Agreement between the Company and UHS (see Note 10), operating leases for the rental of office facilities and equipment are the responsibility of UHS. Fees associated with the lease agreements are included as a component of the Company's management fee.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

(1–4) The Company does not hold any financial instruments with off-balance-sheet risk or have any concentrations of credit risk.

17. SALE, TRANSFER, AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A–C. The Company did not participate in any transfer of receivables, financial assets, or wash sales.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. Administrative Services Only ("ASO") Plans

The company provides certain claims and other administrative services for its uninsured customers through ASO contracts. The total net gain from operations as a result of reimbursement for administrative fees in excess of actual expenses during 2023 and 2022 was

$194,793,578 and $108,882,426, respectively. These items are included in GIE in the accompanying statutory basis statements of operations. The related claims payment volume administered by the company on behalf of its ASO customers was $4,757,936,842 and $2,653,936,364 for 2023 and 2022, respectively.

B. The Company has no operations from Administrative Services Contracts.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

The Medicare Part D program is a partially insured plan. The Company recorded a receivable of $435,800,812 and $43,608,709 at December 31, 2023 and 2022, respectively, for cost reimbursement under the Medicare Part D program for the catastrophic reinsurance and low-income member cost-sharing subsidies. The Company also recorded a receivable of $582,253,770 and $510,584,320 and also a payable of $600,624,126 and $640,587,537 at December 31, 2023 and 2022, respectively, for the Medicare Part D coverage gap discount program. The receivables and payables are recorded in amounts receivable relating to uninsured plans and liability for amounts held under uninsured plans, respectively, in the financial statements. These Medicare subsidies are described in Note 1, *Amounts Receivable Relating to Uninsured Plans and Liability for Amounts Held Under Uninsured Plans*.

The Inflation Reduction Act was signed into law in 2022 and created a one-year subsidy for 2023 labeled as the Inflation Reduction Act Subsidy Amounts (“IRASA”). The Company recorded a receivable of $128,249,137 at December 31, 2023 for the temporary retrospective subsidy be paid to Part D plans for the reduction in cost sharing and elimination of the deductible for ACIP-recommended vaccines and covered insulin products during the 2023 plan year related to IRASA. The IRASA is only available for 2023.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD-PARTY ADMINISTRATORS

The Company did not have any direct premiums written or produced by managing general agents or third-party administrators in 2023 and 2022.

20. FAIR VALUE MEASUREMENTS

The NAIC SAP defines fair value, establishes a framework for measuring fair value, and outlines the disclosure requirements related to fair value measurements. The fair value hierarchy is as follows:

Level 1 — Quoted (unadjusted) prices for identical assets in active markets.

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

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in nonactive markets (few transactions, limited information, noncurrent prices, high variability over time, etc.);
- Inputs other than quoted prices that are observable for the asset (interest rates, yield curves, volatilities, default rates, etc.);
- Inputs that are derived principally from or corroborated by other observable market data.

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

The estimated fair values of bonds, cash equivalents, short-term investments, preferred stocks, and common stocks (collectively “investment holdings”) are based on quoted market prices, where available. The Company obtains one price for each security primarily from a third-party pricing service (“pricing service”), which generally uses quoted prices or other observable inputs for the determination of fair value. The pricing service normally derives the security prices through recently reported trades for identical or similar securities, making adjustments through the reporting date based upon available observable market information. For securities not actively traded, the pricing service may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, non-binding broker quotes, benchmark yields, credit spreads, default rates, and prepayment speeds. As the Company is responsible for the determination of fair value, it performs quarterly analyses on the prices received from the pricing service to determine whether the prices are reasonable estimates of fair value. Specifically, the Company compares the prices received from the pricing service to a secondary pricing source, prices reported by its custodian, its investment consultant, and third-party investment advisors. Additionally, the Company compares changes in the reported market values and returns to relevant market indices to test the reasonableness of the reported prices. The Company's internal price verification procedures and review of fair value methodology documentation provided by independent pricing services have not historically resulted in an adjustment in the prices obtained from the pricing service.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest-level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability.

A. Fair Value

(1) Fair Value Measurements at Reporting Date

The following tables present information about the Company's financial assets that are measured and reported at fair value at December 31, 2023 and 2022 in the financial statements according to the valuation techniques the Company used to determine their fair values:

	December 31, 2023				
Description for Each Class of Asset or Liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value:					
Perpetual preferred stock:					
Industrial and misc	$ -	$ 20,475,878	$ -	$ -	$ 20,475,878
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	-	20,475,878	-	-	20,475,878
Bonds:					
U.S. governments	4,790,021	-	-	-	4,790,021
Industrial and misc	-	3,892	-	-	3,892
Hybrid securities	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	4,790,021	3,892	-	-	4,793,913
Common stock:					
Industrial and misc	179,755,007	-	-	-	179,755,007
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total common stocks	179,755,007	-	-	-	179,755,007
Derivative assets:					
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total derivatives	-	-	-	-	-
Money-market funds	160,351,234	-	-	-	160,351,234
Qualified cash pool	1,800,974,320	-	-	-	1,800,974,320
Separate account assets	-	-	53,815,850	-	53,815,850
Total assets at fair value/NAV	$ 2,145,870,582	$ 20,479,770	$ 53,815,850	$ -	$ 2,220,166,202
b. Liabilities at fair value:					
Derivative liabilities	$ -	$ -	$ -	$ -	$ -
Total liabilities at fair value	$ -	$ -	$ -	$ -	$ -

	December 31, 2022				
Description for Each Class of Asset or Liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value:					
Perpetual preferred stock:					
Industrial and misc	$ -	$ 24,985,378	$ -	$ -	$ 24,985,378
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total perpetual preferred stocks	-	24,985,378	-	-	24,985,378
Bonds:					
U.S. governments	4,631,409	-	-	-	4,631,409
Industrial and misc	-	576,891	-	-	576,891
Hybrid securities	-	-	-	-	-
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total bonds	4,631,409	576,891	-	-	5,208,300
Common stock:					
Industrial and misc	163,524,187	-	-	-	163,524,187
Parent, subsidiaries, and affiliates	-	-	-	-	-
Total common stocks	163,524,187	-	-	-	163,524,187
Derivative assets:					
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Credit contracts	-	-	-	-	-
Commodity futures contracts	-	-	-	-	-
Commodity forward contracts	-	-	-	-	-
Total derivatives	-	-	-	-	-
Money-market funds	439,383,835	-	-	-	439,383,835
Qualified cash pool	1,473,886,606	-	-	-	1,473,886,606
Separate account assets	-	-	3,347,657	-	3,347,657
Total assets at fair value/NAV	$ 2,081,426,037	$ 25,562,269	$ 3,347,657	$ -	$ 2,110,335,963
b. Liabilities at fair value:					
Derivative liabilities	$ -	$ -	$ -	$ -	$ -
Total liabilities at fair value	$ -	$ -	$ -	$ -	$ -

(2) Fair value measurements included in Level 3 of the fair value hierarchy table above at December 31, 2023 and December 31, 2022, are presented in the table below:

	2023									
Description	Beginning Balance at 1/1/2023	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2023
a. Assets:										
Loan-backed and structured securities (NAIC 3-6):										
Residential mortgage-backed securities	$ -	(a) $ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Commercial mortgage-backed securities	-	-	(b) -	-	-	-	-	-	-	-
Derivative:										
Credit contracts	-	-	-	-	-	-	-	-	-	-
Other fund investments:										
Hedge fund high-yield debt securities	-	-	-	-	-	-	-	-	-	-
Private equity	-	-	-	-	-	-	-	-	-	-
Other invested assets	2,328,172	-	-	-	(417,260)	51,904,938	-	-	-	53,815,850
Total assets	$ 2,328,172	$ -	$ -	$ -	$ (417,260)	$ 51,904,938	$ -	$ -	$ -	$ 53,815,850
b. Liabilities										
Total liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Description	Beginning Balance at 1/1/2022	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 12/31/2022
	2022									
a. Assets:										
Loan-backed and structured securities (NAIC 3-6):										
Residential mortgage-backed securities	$ -	(a) $ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Commercial mortgage-backed securities	-	-	(b) -	-	-	-	-	-	-	-
Derivative:										
Credit contracts	-	-	-	-	-	-	-	-	-	-
Other fund investments:										
Hedge fund high-yield debt securities	-	-	-	-	-	-	-	-	-	-
Private equity	-	-	-	-	-	-	-	-	-	-
Other invested assets	2,097,111	-	-	-	(317,393)	548,454	-	-	-	2,328,172
Total assets	$ 2,097,111	$ -	$ -	$ -	$ (317,393)	$ 548,454	$ -	$ -	$ -	$ 2,328,172
b. Liabilities										
Total liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

The Company considers its investments in LIHTC investments and certified capital company ("CAPCO") investments as a Level 3 investment even though no market valuation was required as of December 31, 2023 and 2022. As a result, these investments are excluded from being presented as a Level 3 security in the fair value hierarchy tables above. As there is no readily available market, these securities are recorded at book/adjusted carrying value and considered held to maturity as they will not be sold. As a result, these investments are recorded and reported at book value of $138,365,986 and $131,553,446 as of December 31, 2023 and 2022.

(3) Transfers between fair value hierarchy levels, if any, are recorded as of the beginning of the reporting period in which the transfer occurs. There were no transfers between Levels 1, 2 or 3 of any financial assets or liabilities during the years ended December 31, 2023 or 2022.

(4) The framework the Company has established for determining the fair value of the investment holdings is outlined above.

LIHTC and CAPCO Investments — The Company does consider its investments in LIHTC investments and CAPCO investments as a Level 3 investment even though no market valuation adjustment was required as of December 31, 2023 and 2022. As a result, these investments are excluded from being presented as a level 3 security in the financial hierarchy tables above. As there is no readily available market, these securities are recorded and reported at book/adjusted carrying value and considered held to maturity as they will not be sold. Should any contractual breakage occur that jeopardizes the ability to receive the tax credits associated with these securities, impairments will be recognized. As of December 31, 2023, all of these investments are performing in accordance with their original contract terms.

Private-Placement Fixed-Income Securities — Private placement securities are by their nature illiquid securities as they can be sold only under an exemption from registration under federal securities laws. There is not an active public market for trading in these securities and pricing services generally do not offer prices for these securities. Also obtaining broker quotes for these security types is not feasible for those reasons. The Company purchases private placements with the intention of holding these securities until maturity.

The Company is responsible for the valuations assigned. The Company utilizes the expertise of its investment manager to assist in the valuation of these securities. All valuations are approved by the valuation committee of the investment manager and reviewed by UnitedHealth Group's investment management area.

(5) The Company has no derivative assets and liabilities to disclose.

B. Fair Value Combination — Not applicable.

C. Aggregate Fair Value Hierarchy

The aggregate fair value by hierarchy of all financial instruments as of December 31, 2023 and 2022 is presented in the table below:

Type of Financial Instrument	December 31, 2023						
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
U.S. government and agency securities	$ 2,033,135,747	$ 2,213,804,991	$ 848,699,646	$ 1,184,436,101	$ -	$ -	$ -
State and agency municipal securities	628,066,551	651,696,946	-	628,066,551	-	-	-
City and county municipal securities	694,465,056	723,736,338	-	694,465,056	-	-	-
Corporate debt securities	5,358,953,631	5,614,533,965	-	5,052,682,981	306,270,650	-	-
Cash equivalents	2,026,026,894	2,026,026,894	2,026,026,894	-	-	-	-
Other invested assets	192,181,836	192,181,836	-	-	192,181,836	-	-
Unaffiliated common stock	179,755,007	179,755,007	179,755,007	-	-	-	-
Preferred stock	20,322,454	20,475,878	-	20,322,454	-	-	-
Total bonds, short-term investments, cash equivalents, unaffiliated common stock, preferred stock and other invested assets	$ 11,132,907,176	$ 11,622,211,855	$ 3,054,481,547	$ 7,579,973,143	$ 498,452,486	$ -	$ -

Type of Financial Instrument	December 31, 2022						
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
U.S. government and agency securities	$ 1,840,312,210	$ 2,062,934,445	$ 806,727,510	$ 1,033,584,700	$ -	$ -	$ -
State and agency municipal securities	650,535,833	687,559,555	-	650,535,833	-	-	-
City and county municipal securities	731,834,691	778,826,032	-	731,834,691	-	-	-
Corporate debt securities	5,326,710,880	5,772,434,924	-	5,080,686,371	246,024,509	-	-
Cash equivalents	1,928,267,343	1,928,267,343	1,928,267,343	-	-	-	-
Other invested assets	134,901,103	134,901,103	-	-	134,901,103	-	-
Unaffiliated common stock	163,524,187	163,524,187	163,524,187	-	-		
Preferred stock	24,718,354	24,985,378	-	24,718,354	-	-	-
Total bonds, short-term investments, cash equivalents, unaffiliated common stock, preferred stock and other invested assets	$ 10,800,804,601	$ 11,553,432,967	$ 2,898,519,040	$ 7,521,359,949	$ 380,925,612	$ -	$ -

D. Not Practicable to Estimate Fair Value — Not applicable.

E. Investments Measured Using the NAV Practical Expedient — Not applicable.

21. OTHER ITEMS

A. Unusual or Infrequent Items

The Company did not encounter any unusual or infrequent items for the years ended December 31, 2023 and 2022.

B. Troubled Debt Restructuring: Debtors

The Company has no troubled debt restructurings as of December 31, 2023 and 2022.

C. Other Disclosures

The Company does not have any amounts not recorded in the financial statements that represent segregated funds held for others. The Company also does not have any exposures related to forward commitments that are not derivative instruments.

D. Business Interruption Insurance Recoveries

The Company has not received any business interruption insurance recoveries during 2023 and 2022.

E. State Transferable and Non-transferable Tax Credits

The Company has no transferable or non-transferable state tax credits.

F. Sub-Prime Mortgage-Related Risk Exposure

(1) The investment policy for the Company limits investments in loan backed securities, which includes subprime issuers. Further, the policy limits investments in private issuer mortgage securities to 10% of the portfolio, which also includes subprime issuers. The exposure to unrealized losses on subprime issuers is due to changes in market prices. There are no realized losses due to not receiving anticipated cash flows. The investments covered have an NAIC designation of 1 or 2.

(2) The Company has no direct exposure through investments in sub-prime mortgage loans.

(3) The Company has no direct exposure through other investments.

(4) The Company has no underwriting exposure to sub-prime mortgage risk through mortgage guaranty or financial guaranty insurance coverage.

G. Retained Assets

The Company does not have any retained asset accounts for beneficiaries.

H. Insurance-Linked Securities Contracts

As of December 31, 2023, the Company is not aware of any possible proceeds of insurance-linked securities.

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

22. EVENTS SUBSEQUENT

Subsequent events have been evaluated through April 30, 2024, which is the date these financial statements were available for issuance.

<u>TYPE I — Recognized Subsequent Events</u>

Any material Type I events subsequent to December 31, 2023 have been recognized in the financial statements and corresponding disclosures.

<u>TYPE II — Non-Recognized Subsequent Events</u>

On March 4, 2024, the Company declared an ordinary dividend of $350,000,000 to UHIC. The dividend, which was approved by the Department, was paid on March 18, 2024.

There are no other material non-recognized Type II events that require disclosure.

23. REINSURANCE

Reinsurance Agreements — In the normal course of business, the Company seeks to reduce potential losses that may arise from catastrophic events that cause unfavorable underwriting results by reinsuring certain levels of such risk with affiliated and other nonaffiliated reinsurers. The Company remains primarily liable as the direct insurer on all risks reinsured.

The Company has a quota-share reinsurance agreement with UHIC NY, a wholly owned subsidiary of the Company. Premiums of $1,255,426,401 and $1,135,008,548 were assumed by the Company for the years ended December 31, 2023 and 2022, respectively, and assumed premium receivables due from UHIC NY were $229,894,637 and $144,749,354 as of December 31, 2023 and 2022, respectively. Incurred insurance benefits related to the quota share reinsurance agreement were $990,358,595 and $909,495,341 for the years ended December 31, 2023 and 2022, respectively, and the Company had assumed claims payable relating to this reinsurance agreement of $236,227,720 and $180,528,118 as of December 31, 2023 and 2022, respectively. GIE and CAE of $175,279,578 and $167,092,160 were assumed by the Company for the years ended December 31, 2023 and 2022, respectively, and the Company had a liability for assumed GIE and CAE relating to this agreement of $15,468,542 and $9,783,168 as of December 31, 2023 and 2022, respectively. The funds withheld amounts due from UHIC NY were $33,650,236 and $41,939,203 as of December 31, 2023 and 2022, respectively.

The Company has a quota-share reinsurance agreement with UnitedHealthcare of the Midwest (“Midwest”), an affiliate of the Company. Per this agreement, the Company assumes 60% quota share reinsurance of Midwest’s net liability under policies, contracts, and binders of insurance or reinsurance assumed, excluding its Medicare business. Premiums of $1,928,656,128 and $1,684,350,354 were assumed by the Company for the years ended December 31, 2023 and 2022, respectively, and assumed premium receivables due from Midwest were $159,532,321 and $166,835,875 as of December 31, 2023 and 2022, respectively. Incurred insurance benefits related to the quota share reinsurance agreement were $1,658,431,030 and $1,387,801,902 for the years ended December 31, 2023 and 2022, respectively, and the Company had assumed claims payable relating to this reinsurance agreement of $277,821,563 and $305,226,220 as of December 31, 2023 and 2022, respectively. GIE and CAE of $173,956,568 and $173,044,519 were assumed by the Company for the years ended December 31, 2023 and 2022, respectively, and the Company had a liability for assumed expenses relating to this agreement of $16,671,443 and $20,172,900 as of December 31, 2023 and 2022, respectively.

The Company has a quota-share reinsurance agreement with Canada Life (see Note 1). Under this agreement, the Company recognized ceded premiums of $1,988,200,956 and $1,861,049,556 for the years ended December 31, 2023 and 2022, respectively, ceded medical benefits and changes in reserves of $1,754,650,786 and $1,643,879,011 for the years ended December 31, 2023 and 2022, respectively, and ceded expenses of $212,318,336 and $199,311,542 for the years ended December 31, 2023 and 2022, respectively. In addition, the Company reported ceded premium payables of $538,400,630 and $505,097,091 at December 31, 2023 and 2022, respectively, reinsurance recoverables for paid losses of $483,506,284 and $450,244,348 at December 31, 2023 and 2022, respectively, and recoverables for ceded expenses and experience refunds of $49,501,994 and $50,479,812 at December 31, 2023 and 2022, respectively. The Company also reported $198,100,983 and $213,633,091 as funds withheld amounts due to Canada Life at December 31, 2023 and 2022, respectively.

The Company recognized ceded premiums related to other external reinsurance agreements of $131,162,114 and $144,115,481 in 2023 and 2022, respectively, which are netted against premiums for life and accident and health contracts in the financial statements. The Company recognized reinsurance recoveries related to other external reinsurance agreements of $105,538,426 and $124,315,357 in 2023 and 2022, respectively, which are netted against benefits under life and accident and health contracts in the financial statements. Ceded premium payables were $22,952,053 and $29,124,394 for 2023 and 2022, respectively. In addition, reinsurance recoverables related to external reinsurance agreements of $19,122,604 and $23,990,826 for paid losses are recorded as amounts recoverable from reinsurers and $2,332,063 and $755,517 for unpaid losses are recorded as a reinsurance in 2023 and 2022, respectively, in the financial statements.

The effect of both internal and external reinsurance agreements outlined above on premiums for life and accident and health contracts, benefits under life and accident and health contracts, commissions and expense allowances on reinsurance assumed, and commissions and expense allowances on reinsurance ceded is presented below:

	2023	**2022**
Premiums for life and accident and health contracts:		
Direct	$ 43,932,481,057	$ 41,424,248,281
Assumed:		
Affiliate	3,375,353,191	3,002,498,492
Nonaffiliate	126,512,262	137,864,143
Ceded:		
Affiliate	(616,610)	(223,264)
Nonaffiliate	(2,119,363,071)	(2,005,165,037)
Net premiums for life and accident and health contracts	$ 45,314,366,829	$ 42,559,222,615
Benefits under life and accident and health contracts:		
Direct	$ 36,567,699,265	$ 33,936,580,222
Assumed:		
Affiliate	2,751,621,271	2,404,815,911
Nonaffiliate	103,832,571	122,752,214
Ceded:		
Affiliate	(133,936)	(43,754)
Nonaffiliate	(1,860,189,212)	(1,768,194,368)
Net benefits under life and accident and health contracts	$ 37,562,829,959	$ 34,695,910,225
Commissions and expense allowances on reinsurance assumed:		
Ceded:		
Affiliate	$ 365,918,477	$ 353,452,828
Nonaffiliate	119,702	121,671
Total commissions and expense allowances on reinsurance assumed	$ 366,038,179	$ 353,574,499
Commissions and expense allowances on reinsurance ceded:		
Affiliate	$ -	$ -
Nonaffiliate	219,467,716	205,773,815
Total commissions and expense allowances on reinsurance ceded	$ 219,467,716	$ 205,773,815

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 credit?

Yes ( ) No (X)

(2) Does the reporting entity have any reinsurance agreements in effect 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.

The Company estimates there should be no aggregate reduction in surplus for termination of all reinsurance agreements as of December 31, 2023.

(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 — During 2023 and 2022, there were no uncollectible reinsurance recoverables.

C. **Commutation of Ceded Reinsurance** — There was no commutation of reinsurance in 2023 or 2022.

D. **Certified Reinsurer Rating Downgraded or Status Subject to Revocation** — Not applicable.

E–G. **Affiliated Captive Reinsurers** — Not applicable.

H. **Reinsurance Credit**

(1) The Company has no ceding reinsurance contracts subject to Appendix A-791 – *Life and Health Reinsurance Agreements* (“A-791”) that includes a provision which limits the reinsurer’s assumption of significant risk.

(2) The Company has no ceding reinsurance contracts not subject to A-791, for which reinsurance accounting was applied and which includes provisions that limit the reinsurer’s assumption of risk.

(3) The Company’s reinsurance contracts do not contain features which result in delays in payment in form or in fact.

(4) The Company has not reflected a reinsurance accounting credit for any assumption reinsurance contracts not subject to Appendix A-791 and not yearly renewable term, which meet the risk transfer requirements of SSAP No. 61R, *Life, Deposit-Type, and Accident and Health Reinsurance* (“SSAP No. 61R”).

(5) The Company did not cede any risk which is not subject to A-791 and not yearly renewable term reinsurance, under any reinsurance contract during the period covered by these financial statements, for which the statutory accounting treatment and GAAP accounting treatment were not the same.

(6) The Company’s ceded reinsurance contracts which are not subject to A-791 and not yearly renewable term reinsurance, are treated the same for GAAP and statutory accounting principles.

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

A. The Company estimates accrued retrospective premium adjustments for its group health insurance business based on mathematical calculations in accordance with contractual terms.

B. Estimated accrued retrospective premiums due to (from) the Company are recorded in premiums and considerations or provision for experience rating refunds in the financial statements and as an adjustment to premiums for life and accident and health contracts in the financial statements.

C. Pursuant to the ACA, the Company’s commercial and Medicare business is subject to retrospectively rated features based on the actual MLR experienced on the commercial and Medicare lines of business and redetermination features for premium adjustments for changes to each member’s health scores based on guidelines determined by the ACA. The total amount of direct premiums for which a portion is subject to the retrospectively rated and redetermination are $21,197,561,021 and $19,303,384,969 for commercial, and $4,003,699,560 and $3,743,095,776 for Medicare, representing 48% and 47% for commercial as of December 31, 2023 and December 31, 2022, respectively, and 9% for Medicare of total direct premiums for life and accident and health contracts for both years.

The Company has Medicare Part D risk-corridor amounts from CMS which are subject to a retrospectively rated feature. The Company has estimated accrued retrospective premiums related to certain Part D premiums based on guidelines determined by CMS. The formula is tiered and based on the bid MLR. The amount of Medicare Part D direct premiums subject to the retrospectively rated feature was $1,904,532,383 and $1,883,836,998, representing 4% and 5% of total direct premiums for life and accident and health contracts as of December 31, 2023 and December 31, 2022, respectively.

CMS has released the final Medicaid Managed Care Rule which is subject to each State's administration elections. This rule is the first major update to the Medicaid Managed Care regulations in more than a decade, which includes a minimum medical loss ratio requirement. Pursuant to the regulations, premiums associated with the Company's Medicaid line of business is subject to retrospectively rated features based on the actual MLR experienced on this product. The calculation is pursuant to the Medicaid Managed Care guidance. The Company also has recorded risk-corridor amounts from State Medicaid agencies which are subject to a retrospectively rated feature. The Company has estimated accrued retrospective premiums adjustments based on the risk-corridor tier guidelines included in the contracts. The total amount of direct premiums for the Medicaid line of business for which a portion is subject to the retrospectively rated and redetermination features was $2,355,226,732 and $2,274,000,128 as of December 31, 2023 and December 31, 2022, respectively, representing 5% of total direct premiums for life and accident and health contracts for both years.

The Company has a contract with AARP and the underwriting results to this contract are recorded as an increase or decrease in the provision for experience rating refunds. If cumulative net losses were to exceed that part of the experience rated refund liability attributable to AARP, the Company would be required to fund the deficit. Any deficit the Company funded could be recovered by underwriting gains in future periods. When the Company entered into the AARP contract, the Company assumed the policy liabilities related to the AARP program and received cash, investments, and premium receivables from the previous insurance carrier equal to the carrying value of those liabilities as of the contract inception date. The amount of the AARP direct premiums subject to retrospective rating was $11,032,673,288 and $10,594,443,537, representing 25% and 26% of total direct premiums for life and accident and health contracts for 2023 and 2022, respectively.

During 2023 and 2022, the Company contracted with the federal government through the OPM to administer the FEHBP. The Company is subject to rate adjustments through audits by the OPM. The amount of direct premiums subject to retrospectively rated features was $528,036,974 and $486,161,984 as of December 31, 2023 and 2022, respectively, representing 1% of total direct premiums for life and accident and health contracts for both years.

In addition to the above agreements, the Company has other contracts with retrospective rating features. The amount of premiums subject to retrospective rating was approximately $176,265,575 and $198,318,460 as of December 31, 2023 and 2022 respectively, representing less than 1% of total direct premiums for life and accident and health contracts for both years.

D. The Company is required to maintain specific minimum medical loss ratios on the comprehensive commercial and Medicare lines of business. The following table discloses the minimum MLR rebate liability for the comprehensive commercial and Medicare lines of business which is included in provision for experience rating refunds in the financial statements for the years ended December 31, 2023 and 2022:

	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior reporting year					
(1) Medical loss ratio rebates incurred	$6,617,777	$ 27,003,364	$ 19,429,364	$ 9,856,642	$ 62,907,147
(2) Medical loss ratio rebates paid	119,744	22,126,368	12,784,510	204,466,470	239,497,092
(3) Medical loss rebates unpaid	6,498,033	34,234,602	19,556,629	65,512,363	125,801,627
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	1,689,633
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	127,491,260
Current reporting year-to-date					
(7) Medical loss ratio rebates incurred	33,935,441	54,880,907	40,226,810	15,676	129,058,834
(8) Medical loss ratio rebates paid	9,034,080	39,425,822	26,625,792	65,528,039	140,613,733
(9) Medical loss rebates unpaid	31,399,394	49,689,687	33,157,647	-	114,246,728
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	4
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	-
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	114,246,732

E. Risk-Sharing Provisions of the Affordable Care Act

(1) The Company has accident and health insurance premiums in 2023 and 2022 subject to the risk-sharing provisions of the ACA.

The ACA imposed fees and premium stabilization provisions on health insurance issuers offering comprehensive commercial health insurance. The three premium stabilization programs are commonly referred to as the 3Rs — risk adjustment, reinsurance, and risk corridors.

Risk Adjustment — The risk adjustment program is a permanent program designed to mitigate the potential impact of adverse selection that generally applies to non-grandfathered individual and small group plans inside and outside of exchanges. The program helps to stabilize market premiums by transferring funds from plans with relatively low-risk enrollees to plans with relatively high-risk enrollees. The data used by CMS to determine the risk adjustment transfer amount is subject to audits along with the true-up to the final CMS report, which may result in a material change to arrive at the final risk adjustment amount from the initial risk adjustment estimate recorded. Premium adjustments pursuant to the risk adjustment program are accounted for as premium subject to redetermination and user fees are accounted for as assessments.

Reinsurance and Risk Corridors — The transitional reinsurance program and risk corridors program were temporary programs which expired at the end of 2016. The details of the years impacted and the amounts received from CMS for settlement of the temporary ACA risk corridor program are included in Note 24E(5) below.

(2) The following table presents the current year impact of risk-sharing provisions of the ACA on assets, liabilities, and operations:

		December 31, 2023
a. Permanent ACA Risk Adjustment Program		
Assets		
1. Premium adjustments receivable due to ACA Risk Adjustment (including high-risk pool payments)	$	117,879,010
Liabilities		
2. Risk adjustment user fees payable for ACA Risk Adjustment		1,653,916
3. Premium adjustments payable due to ACA Risk Adjustment (including high-risk pool premium)		311,675,117
Operations (Revenue & Expense)		
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment		(227,775,850)
5. Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)		1,691,321
b. Transitional ACA Reinsurance Program		
Assets		
1. Amounts recoverable for claims paid due to ACA Reinsurance	$	-
2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)		-
3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance		-
Liabilities		
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium		-
5. Ceded reinsurance premiums payable due to ACA Reinsurance		-
6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance		-
Operations (Revenue & Expense)		
7. Ceded reinsurance premiums due to ACA Reinsurance		-
8. Reinsurance recoveries (income statement) due to ACA reinsurance payments or expected payments		-
9. ACA Reinsurance contributions - not reported as ceded premium		-
c. Temporary ACA Risk Corridors Program		
Assets		
1. Accrued retrospective premium due to ACA Risk Corridors	$	-
Liabilities		
2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors		-
Operations (Revenue & Expense)		
3. Effect of ACA Risk Corridors on net premium income (paid/received)		-
4. Effect of ACA Risk Corridors on change in reserves for rate credits		-

(3) The following table is a roll forward of the prior year ACA risk-sharing provisions for asset and liability balances, along with reasons for adjustments to prior year balances:

	Accrued during the Prior Year on Business Written before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustment receivable (including high-risk pool payments)	$ 141,772,150	$ -	$ 114,327,067	$ -	$ 27,445,083	$ -	$ (18,926,593)	$ -	A	$ 8,518,490	$ -
2. Premium adjustment (payable) (including high-risk pool premium)	-	(190,023,536)	-	(196,558,195)	-	6,534,659	-	(12,587,310)	B	-	(6,052,651)
3. Subtotal ACA Permanent Risk Adjustment Program	141,772,150	(190,023,536)	114,327,067	(196,558,195)	27,445,083	6,534,659	(18,926,593)	(12,587,310)		8,518,490	(6,052,651)
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	-	-	-	-	-	-	-	-	C	-	-
2. Amounts recoverable for claims unpaid (contra liability)	-	-	-	-	-	-	-	-	D	-	-
3. Amounts receivable relating to uninsured plans	-	-	-	-	-	-	-	-	E	-	-
4. Liabilities for contributions payable due to ACA Reinsurance — not reported as ceded premium	-	-	-	-	-	-	-	-	F	-	-
5. Ceded reinsurance premiums payable	-	-	-	-	-	-	-	-	G	-	-
6. Liability for amounts held under uninsured plans	-	-	-	-	-	-	-	-	H	-	-
7. Subtotal ACA Transitional Reinsurance Program	-	-	-	-	-	-	-	-		-	-
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	I	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	J	-	-
3. Subtotal ACA Risk Corridors Program	-	-	-	-	-	-	-	-		-	-
d. Total for ACA Risk-Sharing Provisions	$ 141,772,150	$ (190,023,536)	$ 114,327,067	$ (196,558,195)	$ 27,445,083	$ 6,534,659	$ (18,926,593)	$(12,587,310)		$ 8,518,490	$ (6,052,651)

Explanation of Adjustments

A. The risk adjustment receivable as of December 31, 2022 utilized paid claims through October 31, 2022. As of the Reporting Date, the risk adjustment receivable related to prior periods w as adjusted based on CMS' Summary Report on Permanent Risk Adjustment Transfers for Benefit Year 2022 dated June 30, 2023. The risk adjustment receivable w as further adjusted based on CMS' Summary Report of 2021 Benefit Year Risk Adjustment Data Validation Adjustments to Risk Adjustment State Transfers.
B. The risk adjustment payable as of December 31, 2022 utilized paid claims through October 31, 2022. As of the Reporting Date, the risk adjustment payable related to prior periods w as adjusted based on CMS' Summary Report on Permanent Risk Adjustment Transfers for Benefit Year 2022 dated June 30, 2023. The risk adjustment payable w as further adjusted based on CMS' Summary Report of 2021 Benefit Year Risk Adjustment Data Validation Adjustments to Risk Adjustment State Transfers.
C. N/A
D. N/A
E. N/A
F. N/A
G. N/A
H. N/A
I. N/A
J. N/A

(4) The Company does not have any risk corridor receivables or payables to present in the table below.

	Accrued during the Prior Year on Business Written before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)
	1	2	3	4	5	6	7	8		9	10
Risk Corridors Program Year	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	A	$ -	$ -
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	B	-	-
b. 2015											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	C	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	D	-	-
c. 2016											
1. Accrued retrospective premium	-	-	-	-	-	-	-	-	E	-	-
2. Reserve for rate credits or policy experience rating refunds	-	-	-	-	-	-	-	-	F	-	-
d. Total for Risk Corridors	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -	$ -

Explanation of Adjustments

A. N/A
B. N/A
C. N/A
D. N/A
E. N/A
F. N/A

(5) The following table discloses ACA risk corridor receivable balances by risk corridor program year:

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts Received from CMS	4 Asset Balance (Gross of Non-Admissions) (1 - 2 - 3)	5 Non-Admitted Amount	6 Net Admitted Asset (4 - 5)
a. 2014	$ 9,407	$ -	$ 9,407	$ -	$ -	$ -
b. 2015	653,998	-	653,998	-	-	-
c. 2016	3,909,737	-	3,909,737	-	-	-
d. Total (a + b + c)	$ 4,573,142	$ -	$ 4,573,142	$ -	$ -	$ -

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

A. This disclosure only relates to accident and health contracts. The reserve for life and annuity contracts is included in a separate disclosure (see Note 31). The disclosure for loss adjustment expenses is included in Note 36.

Changes in estimates related to the prior year incurred claims are included in benefits under accident and health insurance contracts in the current year in the financial statements. The following table summarizes changes in aggregate reserve for accident and health contracts and contract claims for accident and health policies for the years ended December 31, 2023 and 2022:

	2023	2022
Unpaid claims reserve for accident and health and contract claims for accident and health policies at January 1	$ 5,012,165,454	$ 5,584,654,293
Incurred benefits* related to:		
Current year	37,648,706,093	34,589,599,074
Prior years	(593,495,463)	(236,826,820)
Total incurred	37,055,210,630	34,352,772,254
Paid claims* related to:		
Current year	32,694,816,855	29,792,144,536
Prior years	4,161,766,525	5,133,116,557
Total paid	36,856,583,380	34,925,261,093
Unpaid aggregate reserves for accident and health and contract claims for accident and health policies at December 31	5,210,792,704	5,012,165,454
Active life reserves	800,569,681	776,524,953
Unearned premium reserve	351,649,798	323,172,283
Premium deficiency reserves	462,848,302	214,334,273
Contracts subject to redetermination	333,608,043	201,389,240
Total aggregate reserve for accident and health and contract claims for accident and health policies	$ 7,159,468,528	$ 6,527,586,203

* Includes the impact of the change in health care receivable and reinsurance recoverable activity and corresponding collections as of December 31, 2023 and December 31, 2022.

The liability for unpaid claim reserves for accident and health contracts and contract claims for accident and health policies as of December 31, 2022 was $5,012,165,454. As of December 31, 2023 $4,161,766,525 has been paid for incurred claims attributable to insured events of prior years. Reserves remaining for prior years are now $256,903,466 as a result of re-estimation of contract claims. Therefore, there has been $593,495,463 favorable prior year development since December 31, 2022 to December 31, 2023. The primary drivers of the favorable development include better than expected actual claims experience and changes to provider settlement reserves. At December 31, 2022, the Company recorded $236,826,820 of favorable development related to better than expected actual claims experience and changes to provider settlement reserves. Original estimates are increased or decreased, as additional information becomes known regarding individual claims, which could have an impact to the accruals for MLR rebates and retrospectively rated contracts. As a result of the prior year effects, on a regular basis, the Company adjusts revenue and the corresponding liability and/or receivable related to retrospectively rated policies and the impact of the change is included as a component of premiums for life and accident and health contracts in the financial statements.

B. The Company did not make any significant changes in methodologies and assumptions used in the calculation of aggregate reserve for accident and health contracts and contract claims for accident and health policies in 2023.

26. INTERCOMPANY POOLING ARRANGEMENTS

A–G. The Company did not have any intercompany pooling arrangements in 2023 or 2022.

27. STRUCTURED SETTLEMENTS

A–B. The Company did not have structured settlements in 2023 or 2022.

28. HEALTH CARE AND OTHER AMOUNTS RECEIVABLE

A. Pharmacy rebates receivable are recorded when reasonably estimated or billed by the affiliated pharmaceutical benefit manager in accordance with pharmaceutical rebate contract provisions. Information used to support rebates billed to the manufacturer is based on utilization information gathered by the pharmaceutical benefit manager and adjusted for significant changes in pharmaceutical contract provisions.

The Company evaluates the admissibility of all pharmacy rebates receivable based on the administration of each underlying pharmaceutical benefit management agreement. The Company has nonadmitted and excluded all pharmacy rebates receivable that do not meet the admissibility criteria of SSAP No. 84, *Health Care and Government Insured Plan Receivables* (“SSAP No. 84”) from the financial statements.

For each pharmaceutical management agreement for which a portion of the total pharmacy rebates receivable can be admitted based on the admissibility criteria of SSAP No. 84, the pharmacy rebate transaction history is summarized as follows:

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
12/31/2023	$ 1,824,263,134	$ 606,681,757	$ -	$ -	$ -
9/30/2023	1,823,939,945	1,812,865,409	1,146,406,485	-	-
6/30/2023	1,797,644,518	1,801,055,452	1,432,185,353	312,718,962	-
3/31/2023	1,711,175,082	1,744,844,611	1,250,422,966	424,113,152	15,543,371
12/31/2022	1,529,387,322	1,533,185,560	1,169,312,446	322,625,619	14,827,919
9/30/2022	1,516,874,688	1,515,000,648	1,232,636,854	248,754,599	25,044,280
6/30/2022	1,494,345,558	1,498,198,540	1,196,872,317	258,783,404	35,263,541
3/31/2022	1,452,510,725	1,448,184,228	1,124,255,986	276,695,594	45,608,581
12/31/2021	1,765,438,010	1,739,570,200	1,387,564,190	284,046,351	65,646,592
9/30/2021	1,711,473,045	1,719,578,788	1,471,158,188	158,550,580	58,186,650
6/30/2021	1,711,798,985	1,708,428,481	1,400,108,694	195,557,268	57,728,539
3/31/2021	1,686,925,224	1,668,099,461	1,228,955,632	313,810,722	75,984,108

Of the amount reported as health care and other amounts receivable, $2,176,896,098 and $1,949,935,020 relate to pharmacy rebates receivable as of December 31, 2023 and 2022, respectively. This change is primarily due to increased membership along with the change in generic/name brand mix. An additional $281,643,207 and $131,003,565 of pharmacy rebate ASO receivable is included in amounts receivable relating to uninsured plans as of December 31, 2023 and 2022, respectively.

B. The Company has nonadmitted all risk-sharing receivables from the financial statements.

29. PARTICIPATING POLICIES

The Company did not have any participating contracts in 2023 or 2022.

30. PREMIUM DEFICIENCY RESERVES

The following table summarizes the Company's PDR as of December 31, 2023 and 2022:

	2023
1. Liability carried for premium deficiency reserves	$ 462,848,302
2. Date of the most recent evaluation of this liability	12/31/2023
3. Was anticipated investment income utilized in this calculation?	Yes [X] No [ ]

	2022
1. Liability carried for premium deficiency reserves	$ 214,334,273
2. Date of the most recent evaluation of this liability	12/31/2022
3. Was anticipated investment income utilized in this calculation?	Yes [X] No [ ]

PDR is included in aggregate reserves for life, accident and health contracts in the financial statements.

31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

(1–6) The Company's group term life insurance may include a portability option in the policy, whereby an eligible employee may continue coverage as part of a group policy, rather than conversion to an individual policy. For policies under the portability provision, basic, deficiency, and conversion reserves are established. Basic and conversion reserves are based on the Commissioners 1980 Standard Ordinary Mortality ("1980 CSO") table at 4% interest, utilizing permissible select and ultimate factors. The basic reserve is developed as the present value of future benefits minus the present value of future valuation net premiums. The deficiency reserves are based on the premium deficiency that develops from calculation of a net level premium using the 1980 CSO, compared to billed premiums in force on the policies. The conversion reserve develops from comparison of experience mortality from a similar block of policies with a 100% margin added for conservatism to actual expected claims. There are no surrender values associated with these products.

Reserves for premium waivers for individuals who have become disabled and for whom the Company will provide group life insurance coverage without charge are calculated in accordance with the 1970 Intercompany Disability Table for disabilities occurring prior to January 1, 2009, the 2005 SOA Group Term Life Waiver of Premium Tables for disabilities occurring between January 1, 2009 and December 31,2022, and the 2022 SOA Group Term Life Waiver of Premium Tables for disabilities occurring on or after January 1, 2023.

Tabular Interest has been determined by formulas as prescribed by the NAIC. The Tabular Less Actual Reserve Released has been determined by formula as prescribed by the NAIC. Tabular Cost has been determined by a formula as prescribed by the NAIC.

32. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT-TYPE CONTRACT LIABILITIES BY WITHDRAWAL CHARACTERISTICS

A–B. The Company does not have any annuity actuarial reserves as of December 31, 2023 and 2022.

C. Deposit-Type Contracts (no life contingencies):

At December 31, 2023 and 2022, total deposit-type contract funds, and other liabilities without life or disability contingencies by withdrawal characteristics are as follows:

	2023				
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	- %
b. At book value less current surrender charge of 5% or more	-	-	-	-	-
c. At fair value	-	-	-	-	-
d. Total with market value adjustment or at fair value (total of a through c)	-	-	-	-	-
e. At book value without adjustment (minimal or no charge or adjustment)	271,667,352	-	-	271,667,352	100
(2) Not subject to discretionary withdrawal	-	-	-	-	-
(3) Total (gross: direct + assumed)	271,667,352	-	-	271,667,352	100 %
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3) - (4)	$ 271,667,352	$ -	$ -	$ 271,667,352	
(6) Amount included in C(1)b above that will move to C(1)e for the first time within the year after the statement date:	$ -	$ -	$ -	$ -	

	2022				
	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	% of Total
(1) Subject to discretionary withdrawal:					
a. With market value adjustment	$ -	$ -	$ -	$ -	- %
b. At book value less current surrender charge of 5% or more	-	-	-	-	-
c. At fair value	-	-	-	-	-
d. Total with market value adjustment or at fair value (total of a through c)	-	-	-	-	-
e. At book value without adjustment (minimal or no charge or adjustment)	292,891,289	-	-	292,891,289	100
(2) Not subject to discretionary withdrawal	-	-	-	-	-
(3) Total (gross: direct + assumed)	292,891,289	-	-	292,891,289	100 %
(4) Reinsurance ceded	-	-	-	-	
(5) Total (net) (3) - (4)	$ 292,891,289	$ -	$ -	$ 292,891,289	
(6) Amount included in C(1)b above that will move to C(1)e for the first time within the year after the statement date:	$ -	$ -	$ -	$ -	

D. A reconciliation of annuity reserves and deposit-type contract liabilities to Aggregate Reserves for Life Policies and Contracts Exhibit and Deposit Funds and Other Liabilities without Life or

Disability Contingencies Exhibit, of the Life, Accident and Health Annual Statement and the corresponding lines in the Separate Accounts Statement, are as follows:

	2023	2022
Life Accident & Health Annual Statement		
(1) Exhibit 5, Annuities Section, Total (net)	$ -	$ -
(2) Exhibit 5, Supplementary Contracts w ith Life Contingencies Section, Total (net)	-	-
(3) Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	271,667,352	292,891,289
(4) Subtotal	271,667,352	292,891,289
Separate Accounts Annual Statement		
(5) Exhibit 3, Line 0299999, Column 2	-	-
(6) Exhibit 3, Line 0399999, Column 2	-	-
(7) Policyholder dividend and coupon accumulations	-	-
(8) Policyholder premiums	-	-
(9) Guaranteed interest contracts	-	-
(10) Other contract deposit funds	-	-
(11) Subtotal	-	-
(12) Combined Total	$ 271,667,352	$ 292,891,289

33. ANALYSIS OF LIFE ACTUARIAL RESERVES BY WITHDRAWAL CHARACTERISTICS

A–D. The Company does not have any life actuarial reserves with withdrawal characteristics as of December 31, 2023 and 2022.

34. PREMIUMS AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

A. Deferred and uncollected group life insurance premiums, gross and net of loading, were as follows:

	2023		2022	
Type	**Gross**	**Net of Loading**	**Gross**	**Net of Loading**
(1) Industrial	$ -	$ -	$ -	$ -
(2) Ordinary new business	-	-	-	-
(3) Ordinary renew al	-	-	-	-
(4) Credit life	-	-	-	-
(5) Group life	7,059,639	7,059,639	16,966,761	16,966,761
(6) Group annuity	-	-	-	-
(7) Totals	$ 7,059,639	$ 7,059,639	$ 16,966,761	$ 16,966,761

35. SEPARATE ACCOUNTS

A–C. The Company does not have separate account business as of December 31, 2023 and 2022.

36. LOSS/CLAIM ADJUSTMENT EXPENSES

A. The following table summarizes changes in unpaid CAE for the years ended December 31, 2023 and 2022, which are included in general expenses due or accrued in the financial statements:

	2023	2022
Unpaid CAE — January 1	$ 53,726,795	$ 56,069,696
Incurred CAE related to:		
Current year	1,641,122,985	1,557,904,709
Prior years	(25,870,718)	(10,666,606)
Total incurred	1,615,252,267	1,547,238,103
Paid CAE related to:		
Current year	1,431,318,675	1,321,832,387
Prior years	182,194,449	227,748,617
Total paid	1,613,513,124	1,549,581,004
Unpaid CAE — December 31	$ 55,465,938	$ 53,726,795

B. The Company did not make any significant changes in methodologies and assumptions used in the calculation of unpaid CAE in 2023.

Due to the type of business being written with these licenses, the Company has no salvage. As of December 31, 2023 and 2022, the Company had no specific accruals established for outstanding subrogation, as it is considered a component of the actuarial calculations used to develop the estimates of incurred but not yet reported claims.

* * * * * *

SUPPLEMENTAL SCHEDULES

EXHIBIT I:
SUPPLEMENTAL INVESTMENT
RISKS INTERROGATORIES

7 9 4 1 3 2 0 2 3 2 8 5 0 0 1 0 0

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For The Year Ended December 31, 2023
(To Be Filed by April 1)

Of The UnitedHealthcare Insurance Company

ADDRESS (City, State and Zip Code) Hartford , CT 06103-3408

NAIC Group Code 0707 NAIC Company Code 79413 Federal Employer's Identification Number (FEIN) 36-2739571

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by reporting the applicable U.S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. $ 21,871,715,964

2. Ten largest exposures to a single issuer/borrower/investment.

	1 Issuer	2 Description of Exposure	3 Amount	4 Percentage of Total Admitted Assets
2.01	Oxford Health Insurance, Inc Common Stock	Common Stocks	$ 2,028,624,167	9.3 %
2.02	UHC Liquidity Pool	Cash Equivalents	$ 1,800,974,320	8.2 %
2.03	FNMA	Bonds	$ 754,726,752	3.5 %
2.04	UnitedHealthcare Ins Co of NY Common Stock	Common Stocks	$ 631,188,924	2.9 %
2.05	FHLMC	Bonds	$ 503,746,629	2.3 %
2.06	UnitedHealthcare Ins Co of IL Common Stock	Common Stocks	$ 197,207,249	0.9 %
2.07	UnitedHealthcare of New Mexico, Inc Common Stock	Common Stocks	$ 109,669,031	0.5 %
2.08	JPMORGAN CHASE	Bonds	$ 78,416,843	0.4 %
2.09	Bank of America	Bonds and Preferred Stocks	$ 70,124,267	0.3 %
2.10	MORGAN STANLEY	Bonds	$ 66,130,675	0.3 %

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.

	Bonds	1	2		Preferred Stocks	3	4
3.01	NAIC 1	$ 6,758,443,019	30.9 %	3.07	NAIC 1	$ 0	0.0 %
3.02	NAIC 2	$ 1,559,754,374	7.1 %	3.08	NAIC 2	$ 16,826,093	0.1 %
3.03	NAIC 3	$ 692,559,061	3.2 %	3.09	NAIC 3	$ 3,649,785	0.0 %
3.04	NAIC 4	$ 241,910,918	1.1 %	3.10	NAIC 4	$ 0	0.0 %
3.05	NAIC 5	$ 15,770,360	0.1 %	3.11	NAIC 5	$ 0	0.0 %
3.06	NAIC 6	$ 35,852	0.0 %	3.12	NAIC 6	$ 0	0.0 %

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

4.02	Total admitted assets held in foreign investments	$ 909,091,094	4.2 %
4.03	Foreign-currency-denominated investments	$ 0	0.0 %
4.04	Insurance liabilities denominated in that same foreign currency	$ 0	0.0 %

5. Aggregate foreign investment exposure categorized by NAIC sovereign designation:

		1	2
5.01	Countries designated NAIC-1	$ 863,898,084	3.9 %
5.02	Countries designated NAIC-2	$ 35,534,884	0.2 %
5.03	Countries designated NAIC-3 or below	$ 9,658,126	0.0 %

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation:

		1	2
	Countries designated NAIC - 1:		
6.01	Country 1: CAYMAN ISLANDS	$ 327,924,027	1.5 %
6.02	Country 2: UNITED KINGDOM	$ 106,725,456	0.5 %
	Countries designated NAIC - 2:		
6.03	Country 1: PANAMA	$ 12,545,979	0.1 %
6.04	Country 2: MEXICO	$ 12,091,767	0.1 %
	Countries designated NAIC - 3 or below:		
6.05	Country 1: BARBADOS	$ 8,472,126	0.0 %
6.06	Country 2: BRAZIL	$ 980,000	0.0 %

		1	2
7.	Aggregate unhedged foreign currency exposure	$ 0	0.0 %

8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation:

		1	2
8.01	Countries designated NAIC-1	$ 0	0.0 %
8.02	Countries designated NAIC-2	$ 0	0.0 %
8.03	Countries designated NAIC-3 or below	$ 0	0.0 %

9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation:

		1	2
	Countries designated NAIC - 1:		
9.01	Country 1:	$ 0	0.0 %
9.02	Country 2:	$ 0	0.0 %
	Countries designated NAIC - 2:		
9.03	Country 1:	$ 0	0.0 %
9.04	Country 2:	$ 0	0.0 %
	Countries designated NAIC - 3 or below:		
9.05	Country 1:	$ 0	0.0 %
9.06	Country 2:	$ 0	0.0 %

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	1 Issuer	2 NAIC Designation	3	4
10.01	HSBC BANK USA NA	1, 2	$ 24,760,294	0.1 %
10.02	NEUBERGER BERMAN CLO LTD - NEUB 2017-25A	1	$ 14,934,431	0.1 %
10.03	CREDIT SUISSE NEW YORK	1	$ 14,181,701	0.1 %
10.04	Octagon Investment Partners - OCT20 2019-4A	1	$ 14,130,000	0.1 %
10.05	Carlyle Global - CGMS 2012-4A	1	$ 13,350,000	0.1 %
10.06	NXP BV/NXP FDG/NXP USA	2	$ 13,107,032	0.1 %
10.07	UBS AG LONDON	1	$ 12,749,322	0.1 %
10.08	BNP PARIBAS	1, 2	$ 11,900,613	0.1 %
10.09	SUMITOMO MITSUI BANK NY	1	$ 11,900,000	0.1 %
10.10	Blackrock Rainier CLO Ltd - BLKMM 2021-6A	1	$ 11,800,000	0.1 %

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of interrogatory 11.

		1	2
11.02	Total admitted assets held in Canadian investments	$ 0	0.0 %
11.03	Canadian-currency-denominated investments	$ 0	0.0 %
11.04	Canadian-denominated insurance liabilities	$ 0	0.0 %
11.05	Unhedged Canadian currency exposure	$ 0	0.0 %

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions:

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1	2	3
12.02	Aggregate statement value of investments with contractual sales restrictions	$ 0	0.0 %
	Largest three investments with contractual sales restrictions:		
12.03		$ 0	0.0 %
12.04		$ 0	0.0 %
12.05		$ 0	0.0 %

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interests less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1 Issuer	2	3
13.02	Oxford Health Insurance, Inc Common Stock	$ 2,028,624,167	9.3 %
13.03	UnitedHealthcare Ins Co of NY Common Stock	$ 631,188,924	2.9 %
13.04	UnitedHealthcare Ins Co of IL Common Stock	$ 197,207,249	0.9 %
13.05	UnitedHealthcare of New Mexico, Inc Common Stock	$ 109,669,031	0.5 %
13.06	Unimerica Life Ins Co of New York Common Stock	$ 25,901,278	0.1 %
13.07	Community Solutions Fund	$ 23,281,929	0.1 %
13.08	BlackRock Impact Fund	$ 10,965,368	0.1 %
13.09	HEALTHY NEIGHBORHOOD	$ 10,886,104	0.0 %
13.10	Microsoft	$ 8,096,517	0.0 %
13.11	STRYKER CORP	$ 6,571,350	0.0 %

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 14.01 above is yes, responses are not required for 14.02 through 14.05.

	1	2	3
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities	$ 0	0.0 %
	Largest three investments held in nonaffiliated, privately placed equities:		
14.03		$ 0	0.0 %
14.04		$ 0	0.0 %
14.05		$ 0	0.0 %

Ten largest fund managers:

	1 Fund Manager	2 Total Invested	3 Diversified	4 Nondiversified
14.06		$ 0	$ 0	$ 0
14.07		$ 0	$ 0	$ 0
14.08		$ 0	$ 0	$ 0
14.09		$ 0	$ 0	$ 0
14.10		$ 0	$ 0	$ 0
14.11		$ 0	$ 0	$ 0
14.12		$ 0	$ 0	$ 0
14.13		$ 0	$ 0	$ 0
14.14		$ 0	$ 0	$ 0
14.15		$ 0	$ 0	$ 0

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

	1	2	3
15.02	Aggregate statement value of investments held in general partnership interests	$ 0	0.0 %
	Largest three investments in general partnership interests:		
15.03		$ 0	0.0 %
15.04		$ 0	0.0 %
15.05		$ 0	0.0 %

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1 Type (Residential, Commercial, Agricultural)	2	3
16.02		$ 0	0.0 %
16.03		$ 0	0.0 %
16.04		$ 0	0.0 %
16.05		$ 0	0.0 %
16.06		$ 0	0.0 %
16.07		$ 0	0.0 %
16.08		$ 0	0.0 %
16.09		$ 0	0.0 %
16.10		$ 0	0.0 %
16.11		$ 0	0.0 %

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

		Loans	
16.12	Construction loans	$ 0	0.0 %
16.13	Mortgage loans over 90 days past due	$ 0	0.0 %
16.14	Mortgage loans in the process of foreclosure	$ 0	0.0 %
16.15	Mortgage loans foreclosed	$ 0	0.0 %
16.16	Restructured mortgage loans	$ 0	0.0 %

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

		Residential		Commercial		Agricultural	
	Loan to Value	1	2	3	4	5	6
17.01	above 95%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.02	91 to 95%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.03	81 to 90%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.04	71 to 80%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.05	below 70%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description 1	2	3
18.02		$ 0	0.0 %
18.03		$ 0	0.0 %
18.04		$ 0	0.0 %
18.05		$ 0	0.0 %
18.06		$ 0	0.0 %

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loans:	$ 0	0.0 %
	Largest three investments held in mezzanine real estate loans:		
19.03		$ 0	0.0 %
19.04		$ 0	0.0 %
19.05		$ 0	0.0 %

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year End		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
20.01	Securities lending agreements (do not include assets held as collateral for such transactions)	$ 0	0.0 %	$ 0	$ 0	$ 0
20.02	Repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.03	Reverse repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.04	Dollar repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.05	Dollar reverse repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:

		Owned		Written	
		1	2	3	4
21.01	Hedging	$ 0	0.0 %	$ 0	0.0 %
21.02	Income generation	$ 0	0.0 %	$ 0	0.0 %
21.03	Other	$ 0	0.0 %	$ 0	0.0 %

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

		At Year End		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
22.01	Hedging	$ 0	0.0 %	$ 0	$ 0	$ 0
22.02	Income generation	$ 0	0.0 %	$ 0	$ 0	$ 0
22.03	Replications	$ 0	0.0 %	$ 0	$ 0	$ 0
22.04	Other	$ 0	0.0 %	$ 0	$ 0	$ 0

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

		At Year End		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
23.01	Hedging	$ 0	0.0 %	$ 0	$ 0	$ 0
23.02	Income generation	$ 0	0.0 %	$ 0	$ 0	$ 0
23.03	Replications	$ 0	0.0 %	$ 0	$ 0	$ 0
23.04	Other	$ 0	0.0 %	$ 0	$ 0	$ 0

EXHIBIT II:
SUMMARY INVESTMENT SCHEDULE

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage of Column 1 Line 13	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D, Part 1):						
1.01 U.S. governments	950,760,789	6.741	950,760,789	0	950,760,789	6.741
1.02 All other governments	27,154,750	0.193	27,154,750	0	27,154,750	0.193
1.03 U.S. states, territories and possessions, etc. guaranteed	149,585,287	1.061	149,585,287	0	149,585,287	1.061
1.04 U.S. political subdivisions of states, territories, and possessions, guaranteed	129,507,556	0.918	129,507,556	0	129,507,556	0.918
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed	2,357,819,673	16.718	2,357,819,673	0	2,357,819,673	16.718
1.06 Industrial and miscellaneous	4,839,731,916	34.315	4,839,731,916	0	4,839,731,916	34.315
1.07 Hybrid securities	78,670,250	0.558	78,670,250	0	78,670,250	0.558
1.08 Parent, subsidiaries and affiliates	0	0.000	0	0	0	0.000
1.09 SVO identified funds	0	0.000	0	0	0	0.000
1.10 Unaffiliated bank loans	666,482,281	4.726	666,482,281	0	666,482,281	4.726
1.11 Unaffiliated certificates of deposit	0	0.000	0	0	0	0.000
1.12 Total long-term bonds	9,199,712,502	65.229	9,199,712,502	0	9,199,712,502	65.229
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated)	20,475,878	0.145	20,475,878	0	20,475,878	0.145
2.02 Parent, subsidiaries and affiliates	0	0.000	0	0	0	0.000
2.03 Total preferred stocks	20,475,878	0.145	20,475,878	0	20,475,878	0.145
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated)	179,755,007	1.275	179,755,007	0	179,755,007	1.275
3.02 Industrial and miscellaneous Other (Unaffiliated)	0	0.000	0	0	0	0.000
3.03 Parent, subsidiaries and affiliates Publicly traded	0	0.000	0	0	0	0.000
3.04 Parent, subsidiaries and affiliates Other	2,992,590,649	21.218	2,992,590,649	0	2,992,590,649	21.218
3.05 Mutual funds	0	0.000	0	0	0	0.000
3.06 Unit investment trusts	0	0.000	0	0	0	0.000
3.07 Closed-end funds	0	0.000	0	0	0	0.000
3.08 Exchange traded funds	0	0.000	0	0	0	0.000
3.09 Total common stocks	3,172,345,656	22.493	3,172,345,656	0	3,172,345,656	22.493
4. Mortgage loans (Schedule B):						
4.01 Farm mortgages	0	0.000	0	0	0	0.000
4.02 Residential mortgages	0	0.000	0	0	0	0.000
4.03 Commercial mortgages	0	0.000	0	0	0	0.000
4.04 Mezzanine real estate loans	0	0.000	0	0	0	0.000
4.05 Total valuation allowance	0	0.000	0	0	0	0.000
4.06 Total mortgage loans	0	0.000	0	0	0	0.000
5. Real estate (Schedule A):						
5.01 Properties occupied by company	221,558,805	1.571	221,558,805	0	221,558,805	1.571
5.02 Properties held for production of income	0	0.000	0	0	0	0.000
5.03 Properties held for sale	0	0.000	0	0	0	0.000
5.04 Total real estate	221,558,805	1.571	221,558,805	0	221,558,805	1.571
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1)	(741,966,905)	(5.261)	(741,966,905)	0	(741,966,905)	(5.261)
6.02 Cash equivalents (Schedule E, Part 2)	2,026,026,894	14.365	2,026,026,894	0	2,026,026,894	14.365
6.03 Short-term investments (Schedule DA)	4,059,738	0.029	4,059,738	0	4,059,738	0.029
6.04 Total cash, cash equivalents and short-term investments	1,288,119,727	9.133	1,288,119,727	0	1,288,119,727	9.133
7. Contract loans	0	0.000	0	0	0	0.000
8. Derivatives (Schedule DB)	0	0.000	0	0	0	0.000
9. Other invested assets (Schedule BA)	192,181,836	1.363	192,181,836	0	192,181,836	1.363
10. Receivables for securities	9,326,351	0.066	9,326,351	0	9,326,351	0.066
11. Securities Lending (Schedule DL, Part 1)	0	0.000	0	XXX	XXX	XXX
12. Other invested assets (Page 2, Line 11)	0	0.000	0	0	0	0.000
13. Total invested assets	14,103,720,755	100.000	14,103,720,755	0	14,103,720,755	100.000

EXHIBIT III:
SUMMARY SUPPLEMENTAL SCHEDULE OF
SELECTED FINANCIAL DATA — STATUTORY BASIS

UNITEDHEALTHCARE INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA — STATUTORY BASIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

The following is a summary of certain financial data included in other exhibits and schedules and utilized by actuaries in the determination of reserves:

INVESTMENT INCOME EARNED:	
U.S. government bonds	$ 19,930,070
Other bonds (unaffiliated)	324,352,761
Preferred stocks (unaffiliated)	1,308,649
Common stocks (unaffiliated)	3,338,544
Common stocks of affiliates	1,229,600,000
Real estate	21,011,361
Cash, cash equivalents and short-term investments	112,744,437
Other invested assets	(28,820,706)
Aggregate write-ins for investment income	30,676,996
GROSS INVESTMENT INCOME	$ 1,714,142,112
REAL ESTATE OWNED (book value less encumbrances)	$ 221,558,805
OTHER LONG TERM ASSETS — Statement value	$ 192,181,836
BONDS AND STOCKS OF PARENTS, SUBSIDIARIES, AND AFFILIATES (book value)	
Common stocks	$ 2,992,590,649
BONDS, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS BY CLASS AND MATURITY — Bonds by maturity (statement value):	
Due within one year or less	$ 974,632,198
Over one year through five years	4,546,069,621
Over five years through ten years	2,613,149,940
Over ten years through twenty years	707,156,295
Over twenty years	427,465,530
TOTAL BY MATURITY	$ 9,268,473,584
BONDS AND SHORT-TERM INVESTMENTS BY CLASS — Statement value:	
Class 1	$ 6,758,443,019
Class 2	1,559,754,374
Class 3	692,559,061
Class 4	241,910,918
Class 5	15,770,360
Class 6	35,852
TOTAL BY CLASS	$ 9,268,473,584
TOTAL BONDS PUBLICLY TRADED	$ 6,170,501,627
TOTAL BONDS PRIVATELY PLACED	$ 3,097,971,957
PREFERRED STOCKS — Statement value	$ 20,475,878
COMMON STOCKS — Market value	$ 3,172,345,656
SHORT-TERM INVESTMENTS (BOOK VALUE)	$ 4,059,738
CASH OVERDRAFTS	$ (741,966,905)

UNITEDHEALTHCARE INSURANCE COMPANY

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA — STATUTORY BASIS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2023

LIFE INSURANCE IN FORCE	
Group life	$ 111,894,719,599
LIFE INSURANCE POLICIES WITH DISABILITY PROVISIONS IN FORCE	
Group Life	$ 111,894,719,599
ACCIDENT AND HEALTH INSURANCE — Premiums in force — group	$ 26,397,664,718
CLAIM PAYMENTS 2023 — Group accident and health — year ended December 31, 2023	
2023	$ 30,624,012,345
2022	27,690,991,784
2021	36,087,670,223
2020	35,849,270,155
2019	37,419,571,613
CLAIM PAYMENTS 2023 — Other accident and health — year ended December 31, 2023	
2023	$ 2,070,807,654
2022	2,101,152,750
2021	2,181,196,636
2020	2,461,836,075
2019	2,663,896,165

OTHER ATTACHMENT

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To the Audit Committee of
UnitedHealthcare Insurance Company
185 Asylum Street
Hartford, CT 06103-0450

The Management of
UnitedHealthcare Insurance Company
185 Asylum Street
Hartford, CT 06103-0450

Dear Members of the Audit Committee and Management:

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statutory basis financial statements of UnitedHealthcare Insurance Company (the "Company") for the years ended December 31, 2023, and 2022, and have issued our report thereon dated April 30, 2024. In connection therewith, we advise you as follows:

1. We are independent certified public accountants with respect to the Company and conform to the standards of the accounting profession as contained in the *Code of Professional Conduct* and pronouncements of the American Institute of Certified Public Accountants, the rules and regulations of the Connecticut Insurance Department, and the Rules of Professional Conduct of the Minnesota State Board of Accountancy.

2. The engagement partner and engagement manager, who are certified public accountants, have 16 years and 8 years, respectively, of experience in public accounting and are experienced in auditing insurance enterprises. Members of the engagement team, most of whom have had experience in auditing insurance enterprises and 34 percent of whom are certified public accountants, were assigned to perform tasks commensurate with their training and experience.

3. We understand that the Company intends to file its audited statutory basis financial statements and our report thereon with the Connecticut Insurance Department and other state insurance departments in states in which the Company is licensed and that the insurance commissioners of those states will be relying on that information in monitoring and regulating the statutory basis financial condition of the Company.

   While we understand that an objective of issuing a report on the statutory basis financial statements is to satisfy regulatory requirements, our audit was not planned to satisfy all objectives or responsibilities of insurance regulators. In this context, the Company and insurance commissioners should understand that the objective of an audit of statutory basis financial statements in accordance with auditing standards generally accepted in the United States of America is to form an opinion and issue a report on whether the statutory basis financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus, results of operations and cash flows in accordance with accounting practices prescribed or permitted by the Connecticut Insurance Department. Consequently, under auditing standards generally accepted in the United States of America, we have the responsibility, within the inherent limitations of the auditing process, to plan and perform our audit to obtain reasonable assurance regarding whether the statutory basis financial statements are free from material misstatement, whether due to error or fraud, and to exercise due professional care in the conduct of the audit. The Company is not required to have, nor were we engaged to perform, an audit of internal control over financial reporting. Our audit included consideration of internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. The concept of selective testing of the data being audited, which involves judgment both as to the number of transactions to be audited and the areas to be tested, has been generally accepted as a valid and sufficient basis for an auditor to express an opinion on financial statements. Audit procedures that are effective for detecting errors, if they exist, may be ineffective for detecting misstatements resulting from fraud. Because of the characteristics of fraud, particularly those involving concealment and falsified documentation (including forgery), a properly planned and performed audit may not detect a material misstatement resulting from fraud. In addition, an audit does not address the possibility that material misstatements may occur in the future. Also, our use of professional judgment and the assessment of materiality for the purpose of our audit mean that matters may exist that would have been assessed differently by insurance commissioners.

It is the responsibility of the management of the Company to adopt sound accounting policies, to maintain an adequate and effective system of accounts, and to establish and maintain internal control that will, among other things, provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and are recorded properly to permit the preparation of financial statements in conformity with accounting practices prescribed or permitted by the Connecticut Insurance Department.

The Insurance Commissioner should exercise due diligence to obtain whatever other information that may be necessary for the purpose of monitoring and regulating the statutory basis financial position of insurers and should not rely solely on the independent auditor's report.

4. We will retain the working papers (including those kept in a hard copy or electronic medium) prepared in the conduct of our audit until the Connecticut Insurance Department has filed a Report of Examination covering 2023, but no longer than seven years. After notification to the Company, we will make the working papers available for review by the Connecticut Insurance Department or its delegates, at the offices of the insurer, at our offices, at the Connecticut Insurance Department, or at any other reasonable place designated by the Insurance Commissioner. Furthermore, in the conduct of the aforementioned periodic review by the Connecticut Insurance Department, photocopies of pertinent audit working papers may be made (under the control of Deloitte & Touche LLP) and such copies may be retained by the Connecticut Insurance Department. In addition, to the extent requested, we may provide the Connecticut Insurance Department with copies of certain audit working papers (such as unlocked copies of Excel spreadsheets that do not contain password protection or encryption). As such, these audit working papers will be subject to potential modification by Connecticut Insurance Department or by others. We are not responsible for any modifications made to the copies, electronic or otherwise, after they are provided to the Connecticut Insurance Department; and we are likewise not responsible for any effect that any such modifications, whether intentional or not, might have on the process, substance, or outcome of your regulatory examination.

5. The engagement partner has served in this capacity with respect to the Company since 2022, is licensed by the Minnesota State Board of Accountancy, and is a member in good standing of the American Institute of Certified Public Accountants.

6. To the best of our knowledge and belief, we are in compliance with the requirements of section 7 of the *NAIC's Model Rule (Regulation) Requiring Annual Audited Financial Report*s regarding qualifications of independent certified public accountants.

This letter is intended solely for the information and use of the Audit Committee and management of UnitedHealthcare Insurance Company and for filing with the Connecticut Insurance Department and other state insurance departments to whose jurisdiction the Company is subject and is not intended to be and should not be used by anyone other than these specified parties.

Deloitte & Touche, LLP

April 30, 2024