

## PacificSource Health Plans

Proforma Capital and Surplus  
Statutory Basis

	As of <u>12/31/2014</u>	Estimate As of <u>12/31/2015</u>	Estimate As of <u>12/31/2016</u>	Estimate As of <u>12/31/2017</u>	Estimate As of <u>12/31/2018</u>
Capital and surplus prior reporting year	\$151,293,739	\$148,158,001			
Net Income or (loss)	(16,852,392)	(7,541,592)			
Change in net unrealized captial gain or (loss)	9,535,435	9,122,674			
Change in net deferred income tax	2,935,000	3,000,000			
Change in nonadmitted assets/ Dist of real estate	1,246,219	(200,000)			
Aggregate write-ins for gains or (losses) surplus	-	-			
<b>Net change in capital &amp; surplus</b>	<b><u>(3,135,738)</u></b>	<b><u>4,381,083</u></b>			
<b>Capital &amp; surplus</b>	<b><u>\$148,158,001</u></b>	<b><u>\$152,539,084</u></b>			

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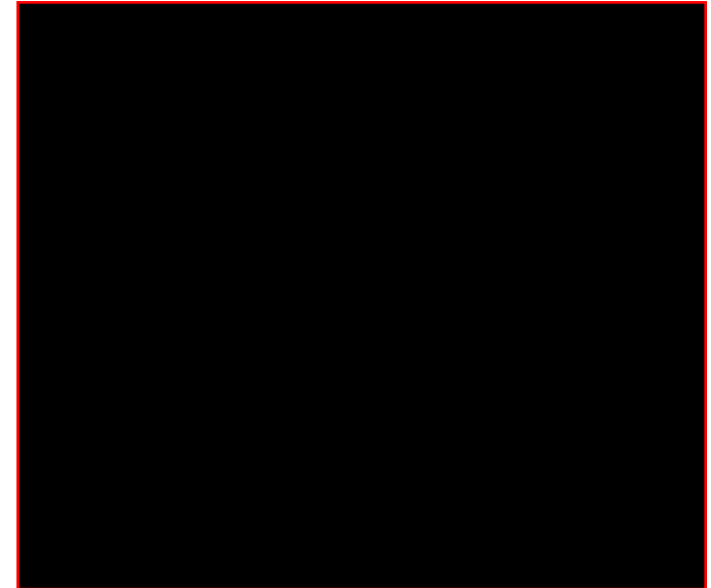
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Capital and surplus prior reporting year	\$41,469,805	\$51,033,210			
Net Income or (loss)	(5,626,786)	(1,971,507)			
Change in net unrealized captial gain or (loss)	11,737,118	11,670,669			
Change in net deferred income tax	(66,000)	154,000			
Change in nonadmitted assets	519,073	(730,488)			
Paid in Capital	3,000,000				
Dividends					
Aggregate write-ins for gains or (losses) surplus	-	-			
<b>Net change in capital &amp; surplus</b>	<u><b>9,563,405</b></u>	<u><b>9,122,674</b></u>			
<b>Capital &amp; surplus</b>	<u><b>\$51,033,210</b></u>	<u><b>\$60,155,884</b></u>			

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	<u>As of</u> <u>12/31/2014</u>	<u>Estimate</u> <u>As of</u> <u>12/31/2015</u>	<u>Estimate</u> <u>As of</u> <u>12/31/2016</u>	<u>Estimate</u> <u>As of</u> <u>12/31/2017</u>	<u>Estimate</u> <u>As of</u> <u>12/31/2018</u>
H0 - Asset Risk - Affiliates	\$28,303,406	\$25,308,182			
H1 - Asset Risk - Other	9,035,413	9,938,954			
H2 - Underwriting Risk	45,731,941	42,920,617			
H3 - Credit Risk	809,583	308,500			
H4 - Business Risk	4,419,483	4,640,457			
RBC after Covariance	75,135,408	69,609,323			
<b>Authorized Control Level</b>	<b>37,567,704</b>	<b>34,804,662</b>			
Total Adjusted Capital, Post-tax	\$148,158,001	\$152,539,084			
<b>Total Adjusted Capital, Post-tax as a % of Authorized Control Level</b>	<b>394%</b>	<b>438%</b>			



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H0 - Asset Risk - Affiliates	\$31,827	\$50,000			
H1 - Asset Risk - Other	14,242,980	12,745,637			
H2 - Underwriting Risk	24,317,611	21,761,137			
H3 - Credit Risk	904,206	250,000			
H4 - Business Risk	1,317,895	1,383,790			
RBC after Covariance	28,258,820	25,308,182			
<b>Authorized Control Level</b>	<b>14,129,410</b>	<b>12,654,091</b>			
Total Adjusted Capital, Post-tax	\$51,033,210	\$60,155,884			
<b>Total Adjusted Capital, Post-tax as a % of Authorized Control Level</b>	<b>361%</b>	<b>475%</b>			

