

QUARTERLY STATEMENT

OF THE

PRESBYTERIAN INSURANCE COMPANY INC

TO THE

Insurance Department

OF THE

STATE OF

New Mexico

FOR THE QUARTER ENDED
SEPTEMBER 30, 2017

HEALTH

2017



HEALTH QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2017
OF THE CONDITION AND AFFAIRS OF THE
Presbyterian Insurance Company, Inc.

NAIC Group Code 0481 0481 NAIC Company Code 11504 Employer's ID Number 85-0484337
(Current) (Prior)
Organized under the Laws of New Mexico, State of Domicile or Port of Entry NM
Country of Domicile United States of America
Licensed as business type: HMDI
Is HMO Federally Qualified? Yes [] No [X]
Incorporated/Organized 05/31/2002 Commenced Business 07/08/2002
Statutory Home Office 9521 San Mateo Blvd NE, Albuquerque, NM, US 87113
(Street and Number) (City or Town, State, Country and Zip Code)
Main Administrative Office 9521 San Mateo Blvd NE
(Street and Number)
Albuquerque, NM, US 87113 505-923-6522
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)
Mail Address PO Box 26267, Albuquerque, NM, US 87125-6267
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)
Primary Location of Books and Records 9521 San Mateo Blvd NE
(Street and Number)
Albuquerque, NM, US 87113 505-923-6522
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)
Internet Website Address www.phs.org
Statutory Statement Contact Karen Stacy Andersen, 505-923-8307
(Name) (Area Code) (Telephone Number)
kandersen@phs.org,
(E-mail Address) (FAX Number)

OFFICERS

President Brandon Scott Fryar Vice President Neal Anthony Spero
Treasurer Amor Michelle McConnell-Brannin Vice President Jana Marie Burdick

OTHER

Mary Kelley Eden, Vice President Margaret Ruth Mcnett, Secretary

DIRECTORS OR TRUSTEES

<u>Dale Clark Maxwell #</u>	<u>Dennis Lee Dean Bolin #</u>	<u>William Franklin Robinson Jr. #</u>
<u>Teresa Lynn Kline</u>	<u>Michael Edward Richards MD, MPA, FACEP</u>	<u>Douglas Howard Smith</u>
<u>Helen Jeanette Wertheim</u>		

State of New Mexico SS:
County of Bernalillo

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

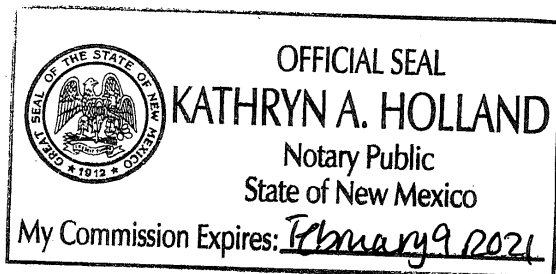
Brandon Scott Fryar
Brandon Scott Fryar
President

Amor Michelle Brannin
Amor Michelle Brannin
Treasurer

Margaret Ruth Mcnett
Margaret Ruth Mcnett
Secretary

Subscribed and sworn to before me this 14th day of November
Kathryn A. Holland

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



STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	27,410,021		27,410,021	23,167,090
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	9,350,213		9,350,213	11,548,452
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$6,085,214), cash equivalents (\$) and short-term investments (\$418,286)	6,503,500		6,503,500	2,824,619
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets	3,200,000	3,200,000		
9. Receivables for securities				523,892
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	46,463,734	3,200,000	43,263,734	38,064,052
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	60,371		60,371	119,414
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				1,822,096
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	1,942,874		1,942,874	
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,268,676	2,705,359	(436,683)	426,875
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	1,520,291		1,520,291	
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	7,170,999		7,170,999	4,313,668
24. Health care (\$1,202,400) and other amounts receivable	1,236,664	232,193	1,004,471	1,402,974
25. Aggregate write-ins for other than invested assets	327,494	58,951	268,543	398,913
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	60,991,103	6,196,503	54,794,600	46,547,992
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	60,991,103	6,196,503	54,794,600	46,547,992
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Prepaid	58,951	58,951		
2502. Part D Receivable	268,543		268,543	398,913
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	327,494	58,951	268,543	398,913

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$879,628 reinsurance ceded)	13,075,239	4,304,139	17,379,378	18,618,605
2. Accrued medical incentive pool and bonus amounts				
3. Unpaid claims adjustment expenses	204,619	62,814	267,433	293,557
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	202,461	30,404	232,865	105,135
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance	4,626,061	851,623	5,477,684	999,332
9. General expenses due or accrued	1,566,054	509,264	2,075,318	2,722,702
10.1 Current federal and foreign income tax payable and interest thereon (including \$508,359 on realized gains (losses))				
10.2 Net deferred tax liability				174,822
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others.....				
13. Remittances and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities				
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers).....				
20. Reinsurance in unauthorized and certified (\$) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$318,116 current)	243,398	74,718	318,116	824,093
24. Total liabilities (Lines 1 to 23)	19,917,832	5,832,962	25,750,794	23,738,246
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	900,000	900,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	29,740,990	13,740,993
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	2,555,254	2,221,246
31. Unassigned funds (surplus)	XXX	XXX	(4,152,438)	5,947,508
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	29,043,806	22,809,747
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	54,794,600	46,547,993
DETAILS OF WRITE-INS				
2301. Coverage Gap Discount	238,776	73,299	312,075	340,887
2302. ACA Tax Liability	4,622	1,419	6,041	483,206
2303. Miscellaneous Liabilities				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Lines 2301 through 2303 plus 2398)(Line 23 above)	243,398	74,718	318,116	824,093
2501. Special Surplus-ACA Fee	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	XXX	XXX		
3001. Unrealized gains/losses on Investments	XXX	XXX	2,555,254	2,221,246
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Lines 3001 through 3003 plus 3098)(Line 30 above)	XXX	XXX	2,555,254	2,221,246

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months	XXX	197,308	227,142	383,765
2. Net premium income (including \$9,410,788 non-health premium income).....	XXX	106,265,929	133,006,043	176,790,163
3. Change in unearned premium reserves and reserve for rate credits.....	XXX			
4. Fee-for-service (net of \$ medical expenses).....	XXX			
5. Risk revenue	XXX			
6. Aggregate write-ins for other health care related revenues	XXX			
7. Aggregate write-ins for other non-health revenues	XXX			
8. Total revenues (Lines 2 to 7)	XXX	106,265,929	133,006,043	176,790,163
Hospital and Medical:				
9. Hospital/medical benefits	21,390,643	93,257,207	108,334,764	144,997,277
10. Other professional services	300,913	1,189,492	662,264	908,089
11. Outside referrals				
12. Emergency room and out-of-area				
13. Prescription drugs	2,260,370	9,630,627	13,539,199	18,443,637
14. Aggregate write-ins for other hospital and medical	(105,384)	(402,266)	(67,524)	(76,524)
15. Incentive pool, withhold adjustments and bonus amounts	1,521	11,651	15,284	15,284
16. Subtotal (Lines 9 to 15)	23,848,063	103,686,711	122,483,986	164,287,763
Less:				
17. Net reinsurance recoveries	567,332	2,197,550	114,750	536,984
18. Total hospital and medical (Lines 16 minus 17)	23,280,731	101,489,161	122,369,236	163,750,779
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$2,203,945 cost containment expenses	684,188	3,102,369	4,208,409	6,145,093
21. General administrative expenses	3,166,230	12,801,957	15,672,081	21,647,592
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)			(636,746)	(848,995)
23. Total underwriting deductions (Lines 18 through 22).....	27,131,149	117,393,487	141,612,981	190,694,469
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	(11,127,558)	(8,606,938)	(13,904,306)
25. Net investment income earned	53,003	202,320	233,118	479,519
26. Net realized capital gains (losses) less capital gains tax of \$508,359	247,330	944,094	122,212	710,025
27. Net investment gains (losses) (Lines 25 plus 26)	300,333	1,146,414	355,330	1,189,544
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)].....				
29. Aggregate write-ins for other income or expenses	1,406	5,361	2,910	15,023
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	(9,975,782)	(8,248,698)	(12,699,739)
31. Federal and foreign income taxes incurred	XXX	(4,061,707)	(2,140,724)	(3,633,304)
32. Net income (loss) (Lines 30 minus 31)	XXX	(5,914,075)	(6,107,974)	(9,066,435)
DETAILS OF WRITE-INS				
0601.	XXX			
0602.	XXX			
0603.	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX			
0699. Totals (Lines 0601 through 0603 plus 0698)(Line 6 above)	XXX			
0701.	XXX			
0702.	XXX			
0703.	XXX			
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX			
0799. Totals (Lines 0701 through 0703 plus 0798)(Line 7 above)	XXX			
1401. Transplant Reimbursements	(105,384)	(402,266)	(67,524)	(76,524)
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	(105,384)	(402,266)	(67,524)	(76,524)
2901. Miscellaneous Income	266	1,011		10,283
2902. Late Fees	1,140	4,350	2,910	4,740
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	1,406	5,361	2,910	15,023

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
CAPITAL AND SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year.....	22,809,747	31,571,862	31,571,862
34. Net income or (loss) from Line 32	(5,914,075)	(6,107,974)	(9,066,435)
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$116,903	217,105	482,524	(32,541)
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax	1,812,017	161,602	(23,034)
39. Change in nonadmitted assets	(5,880,985)	(434,370)	330,650
40. Change in unauthorized and certified reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles.....			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend).....			
44.3 Transferred to surplus.....			
45. Surplus adjustments:			
45.1 Paid in	15,999,997		
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			29,245
48. Net change in capital & surplus (Lines 34 to 47)	6,234,059	(5,898,218)	(8,762,115)
49. Capital and surplus end of reporting period (Line 33 plus 48)	29,043,806	25,673,645	22,809,747
DETAILS OF WRITE-INS			
4701. Permanent difference			29,245
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. Totals (Lines 4701 through 4703 plus 4798)(Line 47 above)			29,245

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	110,751,233	139,180,131	175,453,636
2. Net investment income	348,423	(254)	624,938
3. Miscellaneous income	71,419	(57,461)	(33,256)
4. Total (Lines 1 to 3)	111,171,075	139,122,416	176,045,318
5. Benefit and loss related payments	104,570,188	119,397,062	161,178,847
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	16,572,473	18,802,470	26,229,605
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$116,903 tax on capital gains (losses)	(753,629)	1,759,425	372,502
10. Total (Lines 5 through 9)	120,389,033	139,958,958	187,780,954
11. Net cash from operations (Line 4 minus Line 10)	(9,217,958)	(836,542)	(11,735,636)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	32,475,893	19,907,942	28,145,336
12.2 Stocks	4,000,000	2,047,872	5,776,425
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds	523,892		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	36,999,785	21,955,814	33,921,762
13. Cost of investments acquired (long-term only):			
13.1 Bonds	36,809,993	19,008,208	27,290,883
13.2 Stocks		2,796,045	5,944,341
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets	3,200,000		
13.6 Miscellaneous applications		180,674	523,892
13.7 Total investments acquired (Lines 13.1 to 13.6)	40,009,993	21,984,927	33,759,116
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(3,010,208)	(29,113)	162,646
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock	15,999,997		
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(92,950)	(93,505)	(180,185)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	15,907,047	(93,505)	(180,185)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	3,678,881	(959,160)	(11,753,175)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	2,824,618	14,577,793	14,577,793
19.2 End of period (Line 18 plus Line 19.1)	6,503,500	13,618,634	2,824,618

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	33,383		18,841					7,943		6,599
2. First Quarter	22,133		18,088					4,045		
3. Second Quarter	21,897		17,903					3,994		
4. Third Quarter	21,328		17,367					3,961		
5. Current Year										
6. Current Year Member Months	197,308		161,180					36,128		
Total Member Ambulatory Encounters for Period:										
7. Physician	133,148		85,624					47,524		
8. Non-Physician	56,101		32,323					23,778		
9. Total	189,249		117,947					71,302		
10. Hospital Patient Days Incurred	6,332		2,386					3,946		
11. Number of Inpatient Admissions	1,232		627					605		
12. Health Premiums Written (a)	106,908,550		76,067,993					30,840,557		
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned	106,908,550		76,067,993					30,840,557		
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services.....	105,506,758		76,200,222					29,306,536		
18. Amount Incurred for Provision of Health Care Services	103,686,710		78,457,988					25,228,722		

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$30,840,557

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

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UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid Dec. 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	10,414,427	56,627,456	226,013	11,911,292	10,640,440	10,819,286
2. Medicare Supplement						
3. Dental Only						
4. Vision Only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare	5,086,895	24,207,990	47,880	2,855,640	5,134,775	5,929,319
7. Title XIX - Medicaid						
8. Other health	1,870,000	7,288,337		2,338,553	1,870,000	1,870,000
9. Health subtotal (Lines 1 to 8)	17,371,322	88,123,783	273,893	17,105,485	17,645,215	18,618,605
10. Healthcare receivables (a)	1,427,020	583,382	1,228,535	1,553,546	2,655,555	2,014,115
11. Other non-health						
12. Medical incentive pools and bonus amounts		11,651				
13. Totals (Lines 9-10+11+12)	15,944,302	87,552,052	(954,642)	15,551,939	14,989,660	16,604,490

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

NOTES TO FINANCIAL STATEMENTS

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

PRESBYTERIAN INSURANCE COMPANY, INC.
NOTES TO FINANCIAL STATEMENTS - STATUTORY BASIS
September 30, 2017

1) Summary of Significant Accounting Policies

A) **Accounting Practices**

The financial statements of Presbyterian Insurance, Inc. (the Company) have been prepared in conformity with The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual. A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of New Mexico Office of the Superintendent of Insurance is shown below:

<u>NET INCOME</u>	<u>State of Domicile</u>	<u>2017</u>	<u>2016</u>
(1) Company state basis (Page 4, Line 32, Columns 2&4)	New Mexico	\$ (5,914,075)	\$ (9,066,435)
(2) State Prescribed Practices that increase / (decrease) NAIC SAP	New Mexico	\$ -	\$ -
(3) State Permitted Practices that increase / (decrease) NAIC SAP	New Mexico	\$ -	\$ -
(4) NAIC SAP (1-2-3=4)	New Mexico	\$ (5,914,075)	\$ (9,066,435)
<u>SURPLUS</u>	<u>State of Domicile</u>	<u>2017</u>	<u>2016</u>
(5) Company state basis (Page 3, Line 33, Columns 3&4)	New Mexico	\$ 29,043,806	\$ 22,809,747
(6) State Prescribed Practices that increase / (decrease) NAIC SAP	New Mexico	\$ -	\$ -
(7) State Permitted Practices that increase / (decrease) NAIC SAP	New Mexico	\$ -	\$ -
(8) NAIC SAP (5-6-7=8)	New Mexico	\$ 29,043,806	\$ 22,809,747

B) **Use of Estimates in the Preparation of Financial Statements**

The preparation of financial statements in conformity with accounting principles prescribed or permitted by the New Mexico OSI requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C) **Accounting Policy**

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. As such healthcare premiums are earned in the month that the insured is entitled to healthcare services. Healthcare expenses are recognized in the month that they are incurred. Expenses incurred in connection with acquiring new business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Additionally, the Company applies the following accounting policies:

- (1) Short Term Bonds are stated at amortized cost, and Money Market Investments are stated at fair market value.
- (2) Bonds are stated at amortized cost using the scientific interest amortization method.
- (3) Common Stocks are stated at market value.
- (4) Currently the Company does not hold any preferred stocks.
- (5) Currently the Company does not hold any mortgage loans.
- (6) Loan-backed securities are stated at amortized cost.
- (7) The Company hold 5% interest in Fluent, an affiliate company
- (8) The Company does not currently hold any significant investments in joint ventures, partnerships or limited liability companies.
- (9) The Company does not currently invest in derivatives.
- (10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual loss estimates and an amount, based on past experience, for losses incurred but not reported. Such liabilities are based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period that the adjustment is determined.
- (12) The Company capitalization policy is \$3,000 for the current period.
- (13) The method used to estimate pharmaceutical rebate receivables is based on utilization.

D) **Going Concern**

Not Applicable.

2) Accounting Changes and Corrections of Errors

No significant changes.

3) Business Combinations and Goodwill

(A) **Statutory Purchase Method**

Not Applicable.

(B) **Statutory Merger**

Not Applicable.

(C) **Assumption Reinsurance**

Not Applicable.

(D) **Impairment Loss**

Not Applicable.

4) Discontinued Operations

Not Applicable.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

5) Investments

(A) Mortgage Loans, including Mezzanine Real Estate Loans

Not Applicable.

(B) Debt Restructuring

Not Applicable.

(C) Reverse Mortgages

Not Applicable.

(D) Loan-Backed Securities

The company's investment policy explicitly allows for loan-backed securities.

- (1) Not Applicable. The company utilizes standard pricing methodologies.
- (2) Not Applicable. The company does not currently hold any loan-backed securities with recognized other-than-temporary impairment.
- (3) Not Applicable. The company does not currently hold any loan-backed securities with recognized other-than-temporary impairment.
- (4) Unrecognized Other-Than-Temporary Impairment

a. Unrealized Loss

	< 12 Months	>12 Months	Total
Asset Backed	(1)	0	-1
Mortgaged Backed	0	0	0
	(1)	0	-1

b. Fair Value of Securities with Unrealized Losses

	< 12 Months	>12 Months	Total
Asset Backed	4,022	0	4,022
Mortgaged Backed	0	0	0
	4,022	0	4,022

- (5) The written investment policy maintains that the overall portfolio credit rating of the domestic fixed income pool shall be purchased and remain at investment grade (A/A-/A3 or better). When a single security is in an unrealized loss for longer than a period of one year, this security is then analyzed for potential liquidation or write-down. There are no current write-downs with any intent to sell.

(E) Repurchase Agreements and/or Securities Lending Transactions

- (1) Not Applicable.
- (2) Not Applicable.
- (3) b. None
- (4) Not Applicable.
- (5) Not Applicable.
- (6) Not Applicable.
- (7) Not Applicable.

(F) Real Estate

Not Applicable.

(G) For investments in low-income housing tax credits

Not Applicable.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

5) Investments (Continued)

(H) Restricted Assets

As a condition of its license with the state of New Mexico, the Company is required to have a minimum of \$400,000 and \$200,000 as of December 31, 2017 and 2016 respectively, on deposit in a segregated bank account in New Mexico. At September 30, 2017 and December 31, 2016 , approximately \$409,000 and \$211,000, respectively, is held in United States government bonds in compliance with the minimum deposit requirement and is included in bonds. The segregated deposits can only be used at the direction of the New Mexico OSI. Interest earned on segregated funds is not restricted.

Restricted Asset Category	1	2	3	4	5	6
	Total Gross Restricted from Current Year	Total Gross Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for with 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	409,416	210,099	199,317	409,416	0.67%	0.75%
k. On deposit with other regulatory bodies						
l. Pledged collateral to FHLB (including assets backing funding agreements)						
l. Pledged as collateral not captured in other categories						
n. Other restricted assets						
o. Total Restricted Assets	409,416	210,099	199,317	409,416	0.67%	0.75%

Total Admitted Assets	54,794,600
Total Assets	60,991,103

- (2) Not Applicable
- (3) Not Applicable

(I) Working Capital Finance Investments

- (1) None
- (2) None
- (3) None

(J) Offsetting and Netting of Assets and Liabilities

Not Applicable.

6) Joint Ventures, Partnerships and Limited Liability Companies

- (A) The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- (B) The Company 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

The Company did not exclude any investment income due and accrued in its financial statements.

8) Derivative Instruments

Not Applicable.

STATEMENT AS OF September 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

9)

Income Taxes		2017			2016			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)
(A)	Deferred Tax Asset/(Liability)	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(1) Components of Net Deferred Tax Asset/(Liability)										
(a)	Gross deferred tax assets	2,414,630	-	2,414,630	602,614	-	602,614	1,812,016	-	1,812,016
(b)	Statutory valuation allowance adjustment		-	-	-	-	-	-	-	-
(c)	Adjusted gross deferred tax assets (1a - 1b)	2,414,630	-	2,414,630	602,614	-	602,614	1,812,016	-	1,812,016
(d)	Deferred tax assets nonadmitted		-	-		-	-	-	-	-
(e)	Subtotal net admitted deferred tax asset (1c-1d)	2,414,630	-	2,414,630	602,614	-	602,614	1,812,016	-	1,812,016
(f)	Deferred tax liabilities	-	894,339	894,339	-	777,436	777,436	-	116,903	116,903
(g)	Net admitted deferred tax assets / (net deferred tax liability) (1e - 1f)	2,414,630	(894,339)	1,520,292	602,614	(777,436)	(174,822)	1,812,016	(116,903)	1,695,114
(2) Admission Calculation Components										
(a)	Federal income taxes paid in prior years recoverable through loss carrybacks	-	-	-	589,125	-	589,125	(589,125)	-	(589,125)
(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:									
		2,284,289	-	2,284,289	13,488	-	13,488	2,270,801	-	2,270,801
1	Adjusted gross deferred tax assets expected to be realized following the balance sheet date	2,284,289	-	2,284,289	13,488	-	13,488	2,270,801	-	2,270,801
2	Adjusted gross deferred tax assets allowed per limitation threshold.	XXX	XXX	4,030,349	XXX	XXX	2,280,975	XXX	XXX	1,749,374
								-	-	-
(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	130,342	-	130,342	-	-	-	130,342	-	130,342
(d)	Deferred tax assets admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c)	2,414,630	-	2,414,630	602,614	-	602,614	1,812,016	-	1,812,016
(3) Other Admissibility Criteria										
(a)	Ratio percentage used to determine recovery period and threshold limitation amount			2017 274%			2016 274%			
(b)	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above			29,043,806			22,809,747			
(4) Impact of Tax Planning Strategies										
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by character, as a percentage					2017		2016		Change	
					1	2	3	4	7 (Col 1-3)	8 (Col 2-4)
					Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
1. Adjusted gross DTAs amount from Note 9A1(c)					2,414,630	-	602,614	-	1,812,016	-
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies					0%	0%	0%	0%	0%	0%
3. Net Admitted Adjusted gross DTAs amount from Note 9A1(e)					2,414,630	-	602,614	-	1,812,016	-
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the tax planning strategies					0%	0%	0%	0%	0%	0%
(b) Does the Company's tax-planning strategies include the use of reinsurance?					Yes	No	X			

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

9) Income Taxes (Continued)

(B) Deferred Tax Liabilities Not Recognized

Not applicable

C) Current and Deferred Income Taxes

	1	2	3 (Col 1-2)
(1) Current Income Tax			
	2017	2016	Change
(a) Federal	(4,061,707)	(3,633,304)	(428,403)
(b) Foreign	-	-	-
(c) Subtotal	(4,061,707)	(3,633,304)	(428,403)
(d) Federal income tax on net capital gains	508,359	382,321	126,038
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	(3,553,348)	(3,250,983)	(302,365)
(2) Deferred Tax Assets			
	1	2	3
(a) Ordinary	2017	2016	Change
1. Discounting on unpaid losses	56,445	51,833	4,612
2. Unearned premium reserves	91,554	69,953	21,601
3. Medical liabilities and other reserves	97,855	328,558	(230,703)
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed Assets - nonadmitted	-	-	-
8. Compensation and benefits accrual	-	-	-
9. Pension Accrual	-	-	-
10. Receivables - nonadmitted	2,168,776	152,270	2,016,506
11. Note operating loss carry-forward	-	-	-
12. Premium Deficiency Reserves	-	-	-
13. Small Group Risk Adjustment	-	-	-
13. Other (including items <5% of total ordinary tax assets)	-	-	-
14. Other assets - nonadmitted	-	-	-
99. Subtotal	2,414,630	602,614	1,812,016
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	2,414,630	602,614	1,812,016
(e) Capital			
1. Investments	-	-	-
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (including items <5% of total capital tax assets)	-	-	-
99. Subtotal	-	-	-
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	2,414,630	602,614	1,812,016

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

9) Income Taxes (Continued)

3.	Deferred Tax Liabilities	1	2	3 (Col 1-2)
		2017	2016	Change
(a)	Ordinary			
	1. Investments	-	-	-
	2. Fixed Assets	-	-	-
	3. Deferred and uncollected premiums	-	-	-
	4. Policyholder reserves	-	-	-
	5. Prepaid Insurance	-	-	-
	6. Other (including items <5% of total ordinary tax liabilities)	-	-	-
	99. Subtotal	-	-	-
(b)	Capital			
	1. Investments	894,339	777,436	116,903
	2. Real Estate	-	-	-
	3. Other (including items <5% of total capital tax liabilities)	-	-	-
	99. Subtotal	894,339	777,436	116,903
(c)	Deferred tax liabilities (3a99 + 3b99)	894,339	777,436	116,903
(4)	Net Deferred Tax Assets (2i - 3c)	1,520,291	(174,821)	1,695,114

(D) **Reconciliation of Federal Income Tax Rate to Actual Effective Rate**

Among the more significant book to tax adjustments were the following:	Effective Tax Rate (%)
Provision computed at statutory rate	35.00%
Change in nonadmitted assets	21.07%
Tax exempt income deduction	0.30%
Dividends received deduction	
ACA Tax Expense	
Proration of tax exempt investment income	-0.05%
Provision to return - permanent items	-0.15%
Disallowed travel and entertainment	-0.01%
Other	
Totals	56.17%
Federal and foreign income taxes incurred	42.52%
Realized capital gains (losses) tax	-5.32%
Change in net deferred income taxes	18.97%
Total statutory income taxes	56.17%

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

(1) As of 9/30/2017, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

(2) The following is income tax expense for 2017 and 2016, available for recoupment in the event of future net losses.

Year	Amount
2017	-
2016	-

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

F **Consolidated Federal Income Tax Return**

(1) The Company's federal income tax return is consolidated with the following entities:

Presbyterian Network, Inc. (Parent)
Presbyterian Health Plan, Inc. (Subsidiary)
Presbyterian Insurance Company, Inc. (Subsidiary)
Southwest Magnetic Imaging Associates, Inc. (Subsidiary)

(2) The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby income taxes have been allocated to the Company in an amount generally equivalent to the amount that would be expensed by the Company if it filed a separate federal return. The Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses that it may incur or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany tax balances are settled annually.

G **Federal or Foreign Federal Income Tax Loss Contingencies**

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10) Information Concerning Parent, Subsidiaries, and Affiliates

- (A) & (B). The Company is incorporated in the state of New Mexico. The Company is a wholly owned subsidiary of Presbyterian Network, Inc. (PNI), which is an affiliate of Presbyterian Healthcare Services (PHS), a health care delivery system. The Company is also affiliated with Presbyterian Health Plan, Inc. (PHP), a wholly owned subsidiary of PNI. The Company is a state-licensed insurance company in New Mexico. The Company offers preferred provider organization (PPO) and indemnity products to individuals directly and through contracts with employer groups. The Company also provides stop-loss coverage to self-funded and level funded groups on PHP. On January 1, 2017, the Company, along with PNI and PHP, formed a management services organization, Fluent Health, LLC (Fluent), to facilitate potential health plan joint ventures outside of the state of New Mexico. The business purpose of Fluent is to provide claims, processing, administrative, management, consulting, and strategic services to health plans. Fluent began providing these services to the Company and PHP on January 1, 2017.
- (C) The Company is party to a Cost Sharing Agreement with PHP. Under the Agreement, the Company is required to compensate PHP for direct and indirect costs. Under the Agreement, PHP is to provide to the Company personnel services, equipment and software, supply costs and purchased services. The Company is required to pay PHP the allocated costs within 30 days following PHP's completion of the calculation of allocated costs. There has been no significant change in this arrangement.
- (D) As of September 30, 2017, the Company did not have any unused operating loss carryforwards available to offset against future taxable income. In addition, the Company has not reported any amount due to Fluent, an affiliated company.
- (E) The Company has no guarantees with affiliated parties in place.
- (F) The Company is party to a Cost Sharing Agreement with PHP as discussed in C above.
- (G) All outstanding shares of the Company are owned by PNI, an insurance holding company, domiciled in the State of New Mexico. In May of 2017, the Company invested \$3.2M, totaling 5% ownership interest in Fluent.
- (H) The Company owns no stock in either PNI or PHP.
- (I) The Company does not have an ownership greater than 10% of admitted assets in any other entities.
- (J) The Company does not have investments in impaired SCA entities.
- (K) The Company has no investments in foreign insurance subsidiaries.
- (L) The Company has no investment in downstream non-insurance holding companies.
- (M) No financial transactions to date.

11) Debt

- (A) No significant changes
- (B) Federal Home Loan Bank Agreements

None

12) Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Post Retirement Benefit Plans (Cont)

- (A) **Defined Benefit Plan**

(4) Components of net periodic benefit cost

None

(B) Investment Policies & Strategies

Not Applicable.

(C) Fair Value

Not Applicable.

(D) Estimates and Assumptions Used to Determine Benefit Obligations and Cost

Not Applicable.

(E) Defined Contribution Plans

No significant changes.

(F) Multiemployer Plans

Not Applicable.

(G) Consolidated/Holding Company Plans

Not Applicable.

(H) Postemployment Benefits and Compensated Expense

Not Applicable.

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

Not Applicable.

13) Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganiza

(A) The Company has 150,000 shares authorized and outstanding of common stock with a

(B) The Company has no preferred stock outstanding.

(C) No dividends may be declared without prior approval from the New Mexico Office of the Superintendent of Insurance.

(D) The Company has not paid out or applied for approval for an extraordinary dividend.

(E) Except as limited by the New Mexico Office of the Superintendent of Insurance, there is no limit on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.

(F) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

(G) The Company had no advances to surplus.

(H) The Company does not have any stock held for special purposes.

(I) The Company is not required to adjust special surplus for September 30, 2017.

(J) The portion of unassigned (surplus) represented or reduced by cumulative unrealized gains and losses are \$2,555,000 since inception.

(K) The Company is not a party to any surplus notes.

(L) The Company was not involved in a quasi-reorganization in the current year.

(M) Not applicable.

14) Contingencies

(A) Contingent Commitments

Not Applicable.

(B) Assessments

The Company is still required to participate in the New Mexico Medical Insurance Pool and will be assessed

(C) Gain Contingencies

Not Applicable.

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

Not Applicable.

(E) Joint and Several Liabilities

Not Applicable.

(F) All Other Contingencies

No significant changes.

15) Leases.

(A) Lessee Operating Lease

Not Applicable.

(B) Lessor Leases

Not Applicable.

16) Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments with

No significant change.

17) Sale, Transfer, and Servicing of Financial Assets and Extinguishment of Liabilities

None.

(A) Transfers of Receivables Reported as Sales

(2) b. None.

(4) a. None.

(4) b. None.

(B) Wash Sales

None.

18) Gain/(Loss) to the Reporting Entity from Uninsured A & H Plans / the Uninsured Portion of Partially Insured Plan

No significant change.

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

Not Applicable.

20) Fair Value Measurements

(A) Fair values are based on quoted market prices when available. When market prices are not available, fair value

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure

The levels of the fair value hierarchy are as follows:

Level 1 – Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 – Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 – Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

20) Fair Value Measurements (Continued)

The following table provides information as of September 30, 2017, about the Company’s financial assets measured at fair value on a recurring basis, included in cash and short-term investments.

Description for each class of asset or liability		(Level 1)	(Level 2)	(Level 3)	Total
a.	Assets at Fair Value	\$ -	\$ -	\$ -	\$ -
	Perpetual Preferred Stock	-	-	-	-
	Industrial and Misc.	-	-	-	-
	Parent, Subsidiaries and Affiliates	-	-	-	-
	Total Perpetual Stock	\$ -	\$ -	\$ -	\$ -
	Bonds				
	Us Government	\$ -	\$ -	\$ -	\$ -
	Industrial and Misc.	-	530,400	-	530,400
	Hybrid Securities	-	-	-	-
	Parent, Subsidiaries and Affiliates	-	-	-	-
	Total Bonds	\$ -	\$ 530,400	\$ -	\$ 530,400
	Common Stock				
	Industrial and Misc.	\$ 9,350,214	\$ -	\$ -	\$ 9,350,214
	Parent, Subsidiaries and Affiliates	-	-	-	-
	Total Common Stock	\$ 9,350,214	\$ -	\$ -	\$ 9,350,214
	Derivative Assets				
	Interest Rate Contracts	\$ -	\$ -	\$ -	\$ -
	Foreign Exchange Contracts	-	-	-	-
	Credit Contracts	-	-	-	-
	Commodity Futures Contracts	-	-	-	-
	Commodity Forwards Contracts	-	-	-	-
	Total Derivatives	\$ -	\$ -	\$ -	\$ -
	Exempt Money Markets fund (short term investments)	\$ -	\$ -	\$ -	\$ -
	Separate Account Assets	\$ -	\$ -	\$ -	\$ -
	Total Assets at Fair Value	\$ 9,350,214	\$ 530,400	\$ -	\$ 9,880,614
b.	Liabilities at Fair Value				
	Derivative Liabilities	\$ -	\$ -	\$ -	\$ -
	Total Liabilities at Fair Value	\$ -	\$ -	\$ -	\$ -

The common stock mutual fund includes equity securities of large-cap U.S. companies that trade through the major public exchanges. These equity securities are exposed to various risks, including market risk, industry risk, and individual security risk. Market risk includes potential adverse impact from political or economic developments, changes in investor psychology, or heavy institutional selling. Specific industries or companies may deteriorate due to a variety of factors, including disappointing earnings or changes in the competitive environment.

(B) Not Applicable

(C) Aggregate Fair Value and Related Admitted Assets

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Common Stock	9,350,214	9,350,214	9,350,214	-	-	-
Bonds	530,400	530,400	-	530,400	-	-
	9,880,614	9,880,614	9,350,214	530,400	-	-

(D) Not Applicable.

21) Other Items

(A) Extraordinary Items

May of 2017, \$6,000,000 investment from PNI. An additional \$10,000,000 was transferred in July 2017.

(B) Troubled Debt Restructuring: Debtors

Not Applicable.

(C) Other Disclosures and Unusual Items

Not Applicable.

(D) Business Interruption Insurance Recoveries

Not Applicable.

(E) State Transferable and Non-transferable Tax Credits

Not Applicable.

(F) Subprime-Mortgage-Related Risk Exposure

Not Applicable.

(G) Retained Assets

Not Applicable.

(I) Working Capital Finance Investments

Not Applicable.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

22) Events Subsequent

Type I-Recognized Subsequent Events

Subsequent events have been considered through 11/15/2017 for the statutory statement dated on 09/30/2017.

(A) Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?

YES

	<u>Current Year</u>	<u>Prior Year</u>
(B) ACA fee assessment payable for the upcoming year	\$ -	\$ -
(C) ACA fee assessment paid	\$ -	\$ 2,958,538
(D) Premium written subject to ACA 9010 assessment	\$ -	\$ -
(E) Total Adjusted Capital before surplus adjustment	\$ 29,043,806	\$ 22,809,747
(F) Total Adjusted Capital after surplus adjustment	\$ 29,043,806	\$ 22,809,747
(G) Authorized Control Level	\$ 8,318,049	\$ 8,318,049

RBC Ratio 349.17 * Prior Year ACL Used to Calculate Estimated Current Year ACL

(H) Would reporting the ACA assessment as of Dec. 31, 2016 have triggered an RBC action level (YES/NO)? N/A

Type II-Nonrecongized Subsequent Events

None

23) Reinsurance

Section 1-General Interrogatories

(A) Ceded Reinsurance Report

(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?

No

(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?

No

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?

No

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

No

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.

\$2,268,676

(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?

No

(B) Uncollectible Reinsurance

The Company had no uncollectible reinsurance written off during the year.

(C) Commutation of Ceded Reinsurance

Not applicable.

(D) Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not applicable.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

24) Retrospectively Rated Contracts & Contracts Subject to Redetermination

(A) - (D)

No significant change.

(E) Risk Sharing Provisions of the Affordable Care Act

(1)	Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)?	<u>Yes</u>
	The company had zero balances for the risk corridors program due to lack of sufficient data to estimate the recoverable amounts.	
(2)	Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a.	Permanent ACA Risk Adjustment Program	
		<u>AMOUNT</u>
	Assets	
	1 Premium adjustments receivable due to ACA Risk Adjustment	<u>\$ -</u>
	Liabilities	
	2 Risk adjustment user fees payable for ACA Risk Adjustment	<u>\$ 14,874</u>
	3 Premium adjustments payable due to ACA Risk Adjustment	<u>\$ 150,002</u>
	Operations (Revenue & Expense)	
	4 Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	<u>\$ (2,736,815)</u>
	5 Reported in expenses as ACA risk adjustment user fees (incurred/paid)	<u>\$ 20,739</u>
b.	Transitional ACA Reinsurance Program	
	Assets	
	1 Amounts recoverable for claims paid due to ACA Reinsurance	<u>\$ - *</u>
	2 Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability)	<u>\$ - *</u>
	3 Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	<u>\$ - *</u>
	Liabilities	
	4 Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	<u>\$ - *</u>
	5 Ceded reinsurance premiums payable due to ACA Reinsurance	<u>\$ - *</u>
	6 Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	<u>\$ - *</u>
	Operations (Revenue & Expense)	
	7 Ceded reinsurance premiums due to ACA Reinsurance	<u>\$ - *</u>
	8 Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	<u>*</u>
	9 ACA Reinsurance contributions – not reported as ceded premium	<u>\$ - *</u>
c.	Temporary ACA Risk Corridors Program	
	Assets	
	1 Accrued retrospective premium due to ACA Risk Corridors	<u>\$ -</u>
	Liabilities	
	2 Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	<u>\$ -</u>
	Operations (Revenue & Expense)	
	3 Effect of ACA Risk Corridors on net premium income (paid/received)	<u>\$ -</u>
	4 Effect of ACA Risk Corridors on change in reserves for rate credits	<u>\$ -</u>

**The Company had zero balances for these items due to having no plans eligible for reinsurance recoveries.*

STATEMENT AS OF September 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

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

3) Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any nonadmission) and liability

	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		Difference		Adjustments		Ref	Unsettled Balances as of the	
					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)
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>		<u>9</u>	<u>10</u>
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	A	\$ -	\$ -
2. Premium adjustments (payable)	\$ -	\$ (3,330,860)	\$ -	\$ (3,330,860)	\$ -	\$ -	\$ -	\$ -	B	\$ -	\$ -
3. Subtotal ACA Permanent Risk Adjustment Program	\$ -	\$ (3,330,860)	\$ -	\$ (3,330,860)	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
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	\$ -	\$ (116,960)	\$ -	\$ (116,960)	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
5. Ceded reinsurance premiums payable	\$ -	\$ (350,879)	\$ -	\$ (350,879)	\$ -	\$ -	\$ -	\$ -	F	\$ -	\$ -
6. Liability for amounts held under uninsured plans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	H	\$ -	
7. Subtotal ACA Transitional Reinsurance Program	\$ -	\$ (467,838)	\$ -	\$ (467,838)	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	I	\$ -	\$ -
2. Reserve: rate credits/policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	J	\$ -	\$ -
3. Subtotal ACA Risk Corridors	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	K	\$ -	\$ -
d. Total for ACA Risk Sharing Provisions	\$ -	\$ (3,798,698)	\$ -	\$ (3,798,698)	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -

Explanations of Adjustments

A.	
B.	
C.	
D.	
E.	
F.	
G.	
H.	
I.	
J.	

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

4) Roll forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Difference		Adjustments			Unsettled Balances as of the	
					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)
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>		<u>9</u>	<u>10</u>
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. 2014											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	\$ -	\$ -
2. Reserved for rate credits or policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	\$ -	\$ -
b. 2015											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	\$ -	\$ -
2. Reserved for rate credits or policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	\$ -	\$ -
c. 2016											
1. Accrued retrospective premium	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	\$ -	\$ -
2. Reserved for rate credits or policy experience rating refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	\$ -	\$ -
d. Total Risk Corridors											

5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1	2	3	4	5	6
	Estimated Amount to be Filed or Final Amount Filed with CMS	Non-Accrued Amounts for Impairment or Other Reasons	Amounts received from CMS	Asset Balance (Gross of Non-admissions) (1-2-3)	Non-admitted Amounts	Net Admitted Asset (4-5)
a. 2014						
b. 2015						
c. 2016	8,019,908	8,019,908				
d. Total (a+b+c)	8,019,908	8,019,908				

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

25) Change in Incurred Claims and Claim Adjustment Expenses

Reserves as of December 31, 2016 were approximately \$18.6 M. As of September 30, 2017, \$17.4M has been paid for incurred for claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$274,000 as a result of re-estimation of unpaid claims and claim adjustment expense principally on Commercial lines of insurance. Therefore, there has been a \$973,000 favorable prior-year development since December 31, 2016 when reevaluated on September 30, 2017. Fluctuations are generally the result of ongoing analysis of recent changes in developing trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. None of the decrease related to prior year claim development is on retrospectively rated policies.

26) Intercompany Pooling Arrangements

Not Applicable.

27) Structured Settlements

Not Applicable.

28) Healthcare Receivables

- (A) The Company estimates pharmaceutical rebates receivable based on usage. The following table represents the estimated balance of pharmaceutical rebates as reported in the financial statements, before nonadmitted assets, pharmacy rebates as invoiced or confirmed, and rebates collected for the quarter ended September 30, 2017. The amount of nonadmitted pharmacy rebates was approximately \$232,000 and \$307,000 at September 30, 2017 and December 31, 2016.

Pharmaceutical Rebate Receivables: No significant changes

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
12/31/2017					
9/30/2017	412,992	412,992			
6/30/2017	309,789	390,309	222,526		
3/31/2017	282,925	435,840	90,307	322,950	
12/31/2016	520,709	528,820	310,038	211,219	-
9/30/2016	547,131	493,450	286,395	207,055	
6/30/2016	528,190	592,255	295,318	296,937	
3/31/2016	501,836	429,290	252,305	164,022	12,963
12/31/2015	520,784	530,537	433,225	97,312	-
9/30/2015	368,706	526,681	332,221	173,144	21,318
6/30/2015	361,584	472,213	213,807	248,161	10,245
3/31/2015	335,960	465,337	152,161	267,077	46,100
12/31/2014	527,126	617,628	373,900	213,220	30,509
9/30/2014	495,162	418,854	351,550	67,304	-
6/30/2014	430,868	378,818	266,972	108,177	3,668
3/31/2014	394,988	561,904	377,783	119,583	64,538

(B) Risk Sharing Receivables

The Company does not have a Medicare Part D risk sharing receivable as of September 30, 2017.

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
2017	2017	-	-		-	-	-	-	-
	2018	XXX	-	XXX	XXX	XXX	XXX	XXX	XXX
2016	2016	-	-		-	-	-	-	-
	2015	XXX	-	XXX	XXX	XXX	XXX	XXX	XXX
2015	2015	-	-		-		-	-	
	2016	XXX	-	XXX	XXX	XXX	XXX	XXX	XXX

29) Participating Policies

Not Applicable.

30) Premium deficiency reserves

In accordance with SSAP No. 54, Individual and Group Accident and Health Contracts the Company recognizes a premium deficiency when expected claims payments or incurred costs, claim adjustment expenses, and administration costs exceed the premiums to be collected by recording an additional liability for the deficiency with a corresponding charge to operations. For purposes of determining if a premium deficiency exists, contracts are grouped in a manner consistent with how policies are marketed, serviced, and measured. As of September 30, 2017 the Company does not have a recorded premium deficiency reserve. The reserve amount is reported in aggregate health contract reserves in the accompanying statutory-basis balance sheet and change in reserves for health contracts in the accompanying statutory-basis statement of revenue and expenses, and is reevaluated on a quarterly basis.

1 Liability carried for premium deficiency reserves	2016 0	Adjustment 0	2017 0
2 Date of the most recent evaluation of this liability	9/30/2017		
3 Was anticipated investment income utilized in the calculation?	No		

31) Anticipated Salvage and Subrogation

Not Applicable.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [] No [X]
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes [] No []
- 2.1

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

Yes [] No [X]
- 2.2

If yes, date of change:
- 3.1

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

Yes [X] No []
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [] No [X]
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
- 4.1

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

Yes [] No [X]
- 4.2

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes [] No [X] N/A []
- 6.1

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

12/31/2015
- 6.2

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

01/16/2017
- 6.3

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

04/18/2017
- 6.4

By what department or departments?
NM Office of Superintendent of Insurance
- 6.5

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

Yes [X] No [] N/A []
- 6.6

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

Yes [X] No [] N/A []
- 7.1

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

Yes [] No [X]
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

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

Yes [] No [X]
- 8.4

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

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

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity; (c) Compliance with applicable governmental laws, rules and regulations; (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and (e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$100,220

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes [] No [X]
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
13.

Amount of real estate and mortgages held in short-term investments:

\$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:
- | | 1 | 2 |
|---|---|--|
| | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ | \$ |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$3,200,000 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ | \$3,200,000 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

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

Yes [] No []

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1

Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

\$
- 16.2

Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

\$
- 16.3

Total payable for securities lending reported on the liability page.

\$

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

- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Wells Fargo	MAC N9303-121 Minneapolis, MN 55479
Century Bank	P0 Box 1507 Santa Fe, NM 87504-1507

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes ☐ No ☒

- 17.4 If yes, give full information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
Schroders	U
T. Rowe Price	U
Wells Fargo Securities, LLC	U

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes ☒ No ☐

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes ☐ No ☒

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105820	SCHRODER FUND ADVISORS LLC		SEC	OS
126292	Wells Fargo Securities	PBLD0EJDB5FWOLXP3B76	SEC	OS
105496	T. Rowe Price Associates, Inc.	5493009J3B3K61NUKF71	SEC	OS

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes ☒ No ☐

- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - HEALTH

1. Operating Percentages:
- 1.1 A&H loss percent

103.1 %
- 1.2 A&H cost containment percent

1.9 %
- 1.3 A&H expense percent excluding cost containment expenses

2.5 %
- 2.1 Do you act as a custodian for health savings accounts?

Yes [] No [X]
- 2.2 If yes, please provide the amount of custodial funds held as of the reporting date

\$
- 2.3 Do you act as an administrator for health savings accounts?

Yes [] No [X]
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date

\$

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

[illegible]

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

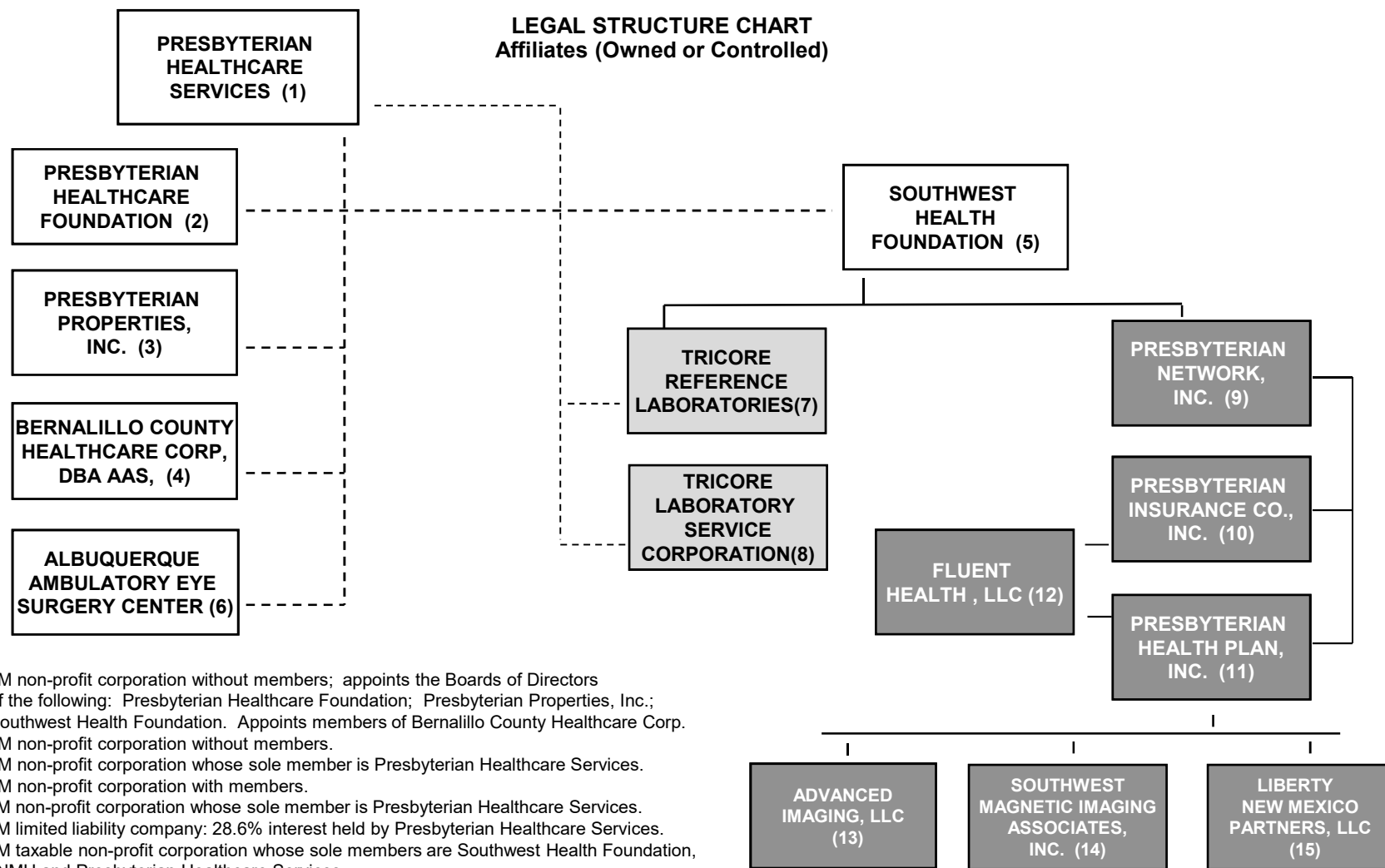
Current Year to Date - Allocated by States and Territories

		1	Direct Business Only							
States, etc.		Active Status	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums & Other Considerations	Property/Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1.	Alabama	AL	N							
2.	Alaska	AK	N							
3.	Arizona	AZ	N							
4.	Arkansas	AR	N							
5.	California	CA	N							
6.	Colorado	CO	N							
7.	Connecticut	CT	N							
8.	Delaware	DE	N							
9.	District of Columbia	DC	N							
10.	Florida	FL	N							
11.	Georgia	GA	N							
12.	Hawaii	HI	N							
13.	Idaho	ID	N							
14.	Illinois	IL	N							
15.	Indiana	IN	N							
16.	Iowa	IA	N							
17.	Kansas	KS	N							
18.	Kentucky	KY	N							
19.	Louisiana	LA	N							
20.	Maine	ME	N							
21.	Maryland	MD	N							
22.	Massachusetts	MA	N							
23.	Michigan	MI	N							
24.	Minnesota	MN	N							
25.	Mississippi	MS	N							
26.	Missouri	MO	N							
27.	Montana	MT	N							
28.	Nebraska	NE	N							
29.	Nevada	NV	N							
30.	New Hampshire	NH	N							
31.	New Jersey	NJ	N							
32.	New Mexico	NM	L	76,067,993	30,840,557				106,908,550	
33.	New York	NY	N							
34.	North Carolina	NC	N							
35.	North Dakota	ND	N							
36.	Ohio	OH	N							
37.	Oklahoma	OK	N							
38.	Oregon	OR	N							
39.	Pennsylvania	PA	N							
40.	Rhode Island	RI	N							
41.	South Carolina	SC	N							
42.	South Dakota	SD	N							
43.	Tennessee	TN	N							
44.	Texas	TX	N							
45.	Utah	UT	N							
46.	Vermont	VT	N							
47.	Virginia	VA	N							
48.	Washington	WA	N							
49.	West Virginia	WV	N							
50.	Wisconsin	WI	N							
51.	Wyoming	WY	N							
52.	American Samoa	AS	N							
53.	Guam	GU	N							
54.	Puerto Rico	PR	N							
55.	U.S. Virgin Islands	VI	N							
56.	Northern Mariana Islands	MP	N							
57.	Canada	CAN	N							
58.	Aggregate Other Aliens	OT	XXX							
59.	Subtotal	XXX	76,067,993	30,840,557					106,908,550	
60.	Reporting Entity Contributions for Employee Benefit Plans	XXX								
61.	Totals (Direct Business)	(a) 1	76,067,993	30,840,557					106,908,550	
DETAILS OF WRITE-INS										
58001.		XXX								
58002.		XXX								
58003.		XXX								
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

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

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

PRESBYTERIAN HEALTHCARE SERVICES



- (1) NM non-profit corporation without members; appoints the Boards of Directors of the following: Presbyterian Healthcare Foundation; Presbyterian Properties, Inc.; Southwest Health Foundation. Appoints members of Bernalillo County Healthcare Corp.
- (2) NM non-profit corporation without members.
- (3) NM non-profit corporation whose sole member is Presbyterian Healthcare Services.
- (4) NM non-profit corporation with members.
- (5) NM non-profit corporation whose sole member is Presbyterian Healthcare Services.
- (6) NM limited liability company: 28.6% interest held by Presbyterian Healthcare Services.
- (7) NM taxable non-profit corporation whose sole members are Southwest Health Foundation, UNMH and Presbyterian Healthcare Services.
- (8) NM non-profit corporation with members - 501(c)(3).
- (9) NM profit corporation: 100% of common stock held by Southwest Health Foundation.
- (10) NM profit corporation: 100% of common stock held by Presbyterian Network, Inc.
- (11) NM profit corporation: 100% of common stock held by Presbyterian Network, Inc.
- (12) DE limited liability company: 95% interest held by Presbyterian Health Plan, Inc. and 5% interest held by Presbyterian Insurance Company, Inc.
- (13) Limited liability company: 50% interest held by Presbyterian Health Plan, Inc.
- (14) NM profit corporation: 90% of common stock held by Presbyterian Health Plan, Inc.
- (15) Limited liability company: 24.5% interest held by Presbyterian Health Plan, Inc.

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation
1	NM non-profit corporation without members. This entity is owned by the community.
2	The remaining 50% is owned by Radiology Associates of Albuquerque (RAA).
3	LLC MCO without any members.

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
Explanation:	
1. Company does not maintain stand alone Part D Contracts.	
Bar Code:	
1. Medicare Part D Coverage Supplement [Document Identifier 365]	

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Prior Year Net Admitted Assets
2504.				
2597. Summary of remaining write-ins for Line 25 from overflow page				

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage investment and commitment fees		
9. Total foreign exchange change in book value/recorded investment including accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	3,200,000	
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	3,200,000	
12. Deduct total nonadmitted amounts	3,200,000	
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	34,715,541	34,466,356
2. Cost of bonds and stocks acquired	36,809,993	33,235,224
3. Accrual of discount	17,673	20,389
4. Unrealized valuation increase (decrease)	344,798	(42,644)
5. Total gain (loss) on disposals	1,452,855	1,092,346
6. Deduct consideration for bonds and stocks disposed of	36,475,893	33,921,762
7. Deduct amortization of premium	104,733	134,369
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	36,760,234	34,715,541
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	36,760,234	34,715,541

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	17,154,684	46,519,499	38,719,580	(3,750)	17,088,556	17,154,684	24,950,854	21,309,212
2. NAIC 2 (a)	2,270,178	248,696	164,488	(7,333)	1,948,372	2,270,178	2,347,053	2,122,703
3. NAIC 3 (a)	530,770			(370)	532,315	530,770	530,400	530,430
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	19,955,633	46,768,195	38,884,067	(11,453)	19,569,243	19,955,633	27,828,307	23,962,345
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	19,955,633	46,768,195	38,884,067	(11,453)	19,569,243	19,955,633	27,828,307	23,962,345

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$418,286 ; NAIC 2 \$; NAIC 3 \$ NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	418,286	XXX	418,286		

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	886,321	79,497
2. Cost of short-term investments acquired	26,566,261	12,798,518
3. Accrual of discount	391	51
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	(402)	
6. Deduct consideration received on disposals	27,033,523	11,991,551
7. Deduct amortization of premium	762	194
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	418,286	886,321
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	418,286	886,321

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives

N O N E

SCHEDULE E - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of cash equivalents acquired		250,176
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		250,000
7. Deduct amortization of premium		176
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

Schedule A - Part 2 - Real Estate Acquired and Additions Made
N O N E

Schedule A - Part 3 - Real Estate Disposed
N O N E

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made
N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid
N O N E

SCHEDULE BA - PART 2

[illegible]

SCHEDULE BA - PART 3

[illegible]

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
912828-2G-4	UNITED STATES TREASURY		.07/27/2017	BANC OF AMERICA SECURITIES LLC		11,478,109	11,600,000	37,235	1
912828-2K-5	UNITED STATES TREASURY		.08/03/2017	BANC OF AMERICA SECURITIES LLC		4,502,988	4,500,000	673	1
912828-2T-6	UNITED STATES TREASURY		.09/29/2017	VARIOUS		858,732	862,000	895	1
912828-T6-7	UNITED STATES TREASURY		.07/25/2017	Unknown		5,697,593	5,821,000	17,004	1
912828-W5-5	UNITED STATES TREASURY		.07/25/2017	Unknown		1,497,649	1,500,000	11,235	1
912828-W8-9	UNITED STATES TREASURY		.07/25/2017	Unknown		1,356,173	1,350,000	8,023	1
912828-XR-6	UNITED STATES TREASURY		.07/25/2017	VARIOUS		1,356,952	1,366,000	2,901	1
0599999. Subtotal - Bonds - U.S. Governments						26,748,196	26,999,000	77,965	XXX
57582P-5Q-9	MASSACHUSETTS ST		.07/20/2017	BARCLAYS CAPITAL INC FIXED INC		335,000	335,000		1FE
1799999. Subtotal - Bonds - U.S. States, Territories and Possessions						335,000	335,000		XXX
20774Y-X7-7	CONNECTICUT ST HEALTH & EDL FACS AUTH RE		.07/18/2017	BARCLAYS CAPITAL INC FIXED INC		200,000	200,000		1FE
49965Z-AG-0	KNOX CNTY TENN HEALTH EDL & HSG FAC BRD		.07/19/2017	RAYMOND JAMES/FI		85,000	85,000		1FE
499743-CH-3	KNOXVILLE TENN CNTY DEV CORP MULTIFAMIL		.08/23/2017	CITIGROUP GLOBAL MARKETS INC.		135,000	135,000		1FE
499743-CJ-9	KNOXVILLE TENN CNTY DEV CORP MULTIFAMIL		.08/23/2017	CITIGROUP GLOBAL MARKETS INC.		120,000	120,000		1FE
64577B-J7-0	NEW JERSEY ECONOMIC DEV AUTH REV		.09/28/2017	MERRILL LYNCH PIERCE FENNER		49,952	45,000		2FE
645918-IM-2	NEW JERSEY ECONOMIC DEV AUTH REV		.07/31/2017	BNY CAPITAL MARKETS, INC.		198,744	185,000	3,906	2FE
646127-EB-2	NEW JERSEY ST HSG & MTG FIN AGY MULTIFAM		.07/21/2017	WELLS FARGO SECURITIES LLC		45,000	45,000		1FE
652276-CU-8	NEWPORT NEWS VA REDEV & HSG AUTH MULTIFA		.08/11/2017	CITIGROUP GLOBAL MARKETS/ALGO		415,000	415,000		1FE
676900-TZ-6	OHIO HSG FIN AGY MULTIFAMILY HSG REV		.09/18/2017	PERSHING LLC		185,000	185,000		1FE
79289Z-JH-5	ST PAUL MINN HSG & REDEV AUTH MULTIFAMIL		.08/23/2017	DOUGHERTY & CO		170,000	170,000		1FE
3199999. Subtotal - Bonds - U.S. Special Revenues						1,603,696	1,585,000	3,906	XXX
8399997. Total - Bonds - Part 3						28,686,892	28,919,000	81,870	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						28,686,892	28,919,000	81,870	XXX
8999997. Total - Preferred Stocks - Part 3							XXX		XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX		XXX
9799997. Total - Common Stocks - Part 3							XXX		XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks							XXX		XXX
9899999. Total - Preferred and Common Stocks							XXX		XXX
9999999 - Totals						28,686,892	XXX	81,870	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

STATEMENT AS OF SEPTEMBER 30, 2017 OF THE PRESBYTERIAN INSURANCE COMPANY INC

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Ident- ification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn- ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Con- tractual Maturity Date	NAIC Desig- nation or Market In- dicator (a)
912828-2G-4	UNITED STATES TREASURY		08/29/2017	VARIOUS		2,595,893	2,619,000	2,591,480			1,105		1,105		2,592,585		3,308	3,308	10,388	09/15/2019	1
912828-02-3	UNITED STATES TREASURY		08/11/2017	VARIOUS		4,119,316	4,100,000	4,130,355	1,464,666		(5,555)		(5,555)		4,124,534		(5,218)	(5,218)	42,266	04/30/2019	1
912828-ST-8	UNITED STATES TREASURY		07/20/2017	VARIOUS		481,164	482,000	481,600			31		31				(467)	(467)	1,370	04/30/2019	1
912828-T6-7	UNITED STATES TREASURY		07/27/2017	JP MORGAN SECURITIES INC.		6,350,602	6,489,000	6,322,855	654,095		1,814		1,814		6,353,501		(2,899)	(2,899)	23,792	10/31/2021	1
912828-W5-5	UNITED STATES TREASURY		07/27/2017	BANC OF AMERICA SECURITIES LLC		1,504,512	1,500,000	1,497,539			4		4		1,497,653		6,858	6,858	11,464	02/28/2022	1
912828-W8-9	UNITED STATES TREASURY		07/27/2017	CHASE SECURITIES		1,352,953	1,350,000	1,356,408			(10)		(10)		1,356,163		(3,209)	(3,209)	8,230	03/31/2022	1
912828-XK-1	UNITED STATES TREASURY		09/14/2017	CITIGROUP GBL MKTS/SALOMON, NEW YORK		98,679	99,000	98,269	98,551		208		208		98,759		(80)	(80)	1,019	07/15/2018	1
912828-XP-0	UNITED STATES TREASURY		08/01/2017	Maturity @ 100.0 BANC OF AMERICA		800,000	800,000	801,000	800,545		(545)		(545)		800,000				5,000	07/31/2017	1
912828-YR-6	UNITED STATES TREASURY		07/27/2017	SECURITIES LLC		1,360,291	1,366,000	1,357,932			74		74		1,357,026		3,264	3,264	3,788	05/31/2022	1
0599999	Subtotal - Bonds - U.S. Governments					18,663,409	18,805,000	18,637,439	3,017,856		(2,874)		(2,874)		18,661,852		1,558	1,558	107,317	XXX	XXX
708681-AV-3	PENNSYLVANIA CONVENTION CTR AUTH REV		09/01/2017	Call @ 107.173		65,000	65,000	69,218			(695)		(695)		68,523		(3,523)	(3,523)		09/01/2019	1FE
3199999	Subtotal - Bonds - U.S. Special Revenues					65,000	65,000	69,218			(695)		(695)		68,523		(3,523)	(3,523)		XXX	XXX
125634-AN-5	CLIF 141 NTS - ABS		08/22/2017	VARIOUS		124,411	124,458	119,329	119,666		492		492		120,159		4,252	4,252	2,792	06/18/2029	1FE
254683-AC-9	DCENT 071A A - ABS		09/15/2017	VARIOUS		300,000	300,000	327,738	309,194		(9,194)		(9,194)		300,000				12,713	03/16/2020	1FE
25746U-CH-0	DOMINION RESOURCES INC		07/05/2017	Goldman Sachs		31,745	32,000	31,997							31,998		(253)	(253)	471	08/15/2019	2FE
46625H-QJ-2	JPMORGAN CHASE & CO		07/05/2017	CHASE SECURITIES		482,160	480,000	479,640			36		36		479,733		2,427	2,427	10,506	03/01/2021	1FE
61746B-EA-0	MORGAN STANLEY		07/06/2017	BNP PARIBAS SECURITIES BOND		36,926	37,000	36,876	36,892		13		13		36,905		22	22	668	04/21/2021	1FE
72850R-AW-2	PLAINS ALL AMERICAN PIPELINE LP		09/19/2017	WELLS FARGO SECURITIES LLC		133,076	125,000	138,234	134,725		(2,236)		(2,236)		132,490		587	587	8,505	01/15/2020	2FE
87407P-AJ-9	TAL 141 A - ABS	C	09/20/2017	Paydown Nomura International		7,375	7,375	7,104			254		254		7,375				162	02/22/2039	1FE
949746-RS-2	WELLS FARGO & CO		07/05/2017	Trust Co		238,674	238,000	237,945	237,954		5		5		237,959		714	714	5,058	03/04/2021	1FE
98158L-AC-1	WOART 14A A3 - ABS		09/15/2017	Paydown		61,616	61,616	61,616	61,616						61,616				428	04/15/2019	1FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					1,415,984	1,405,450	1,440,480	1,418,863		(10,628)		(10,628)		1,408,235		7,749	7,749	41,303	XXX	XXX
8399997	Total - Bonds - Part 4					20,144,393	20,275,450	20,147,136	4,436,719		(14,198)		(14,198)		20,138,609		5,784	5,784	148,620	XXX	XXX
8399998	Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999	Total - Bonds					20,144,393	20,275,450	20,147,136	4,436,719		(14,198)		(14,198)		20,138,609		5,784	5,784	148,620	XXX	XXX
8999997	Total - Preferred Stocks - Part 4						XXX													XXX	XXX
8999998	Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999	Total - Preferred Stocks						XXX													XXX	XXX
45775L-70-5	T. ROWE INST US STR RESEARCH MF		08/02/2017	NO BROKER	296,515.938	4,000,000		2,532,246	3,504,818	(972,572)			(972,572)		2,532,246		1,467,754	1,467,754			
9299999	Subtotal - Common Stocks - Mutual Funds					4,000,000	XXX	2,532,246	3,504,818	(972,572)			(972,572)		2,532,246		1,467,754	1,467,754		XXX	XXX
9799997	Total - Common Stocks - Part 4					4,000,000	XXX	2,532,246	3,504,818	(972,572)			(972,572)		2,532,246		1,467,754	1,467,754		XXX	XXX
9799998	Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999	Total - Common Stocks					4,000,000	XXX	2,532,246	3,504,818	(972,572)			(972,572)		2,532,246		1,467,754	1,467,754		XXX	XXX
9899999	Total - Preferred and Common Stocks					4,000,000	XXX	2,532,246	3,504,818	(972,572)			(972,572)		2,532,246		1,467,754	1,467,754		XXX	XXX
9999999	- Totals					24,144,393	XXX	22,679,383	7,941,538	(972,572)	(14,198)		(986,770)		22,670,856		1,473,537	1,473,537	148,620	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
					First Month	Second Month	Third Month	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date				*
Wells Fargo Minneapolis, MN					4,621,860	4,864,971	6,085,214	XXX
0199998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX						XXX
0199999. Totals - Open Depositories	XXX	XXX			4,621,860	4,864,971	6,085,214	XXX
0299998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX						XXX
0299999. Totals - Suspended Depositories	XXX	XXX						XXX
0399999. Total Cash on Deposit	XXX	XXX			4,621,860	4,864,971	6,085,214	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
0599999. Total - Cash	XXX	XXX			4,621,860	4,864,971	6,085,214	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due and Accrued	Amount Received During Year
NONE							
8699999 - Total Cash Equivalents							