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HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE

TRIPLE-S ADVANTAGE, INC.

NAIC Group Code 1402 (Current) 4802 (Prior) NAIC Company Code 11152 Employer's ID Number 66-0593034

Organized under the Laws of Puerto Rico, State of Domicile or Port of Entry PR

Country of Domicile Puerto Rico

Licensed as business type: Health Maintenance Organization

Is HMO Federally Qualified? Yes [ ] No [X]

Incorporated/Organized 12/06/2000 Commenced Business 05/01/2001

Statutory Home Office F.D. Roosevelt Ave. 1441 (Street and Number), San Juan , PR, US 00920 (City or Town, State, Country and Zip Code)

Main Administrative Office Metro Office Park,Triple-S Advantage Building (Street and Number)
Guaynabo , PR, US 00969 (City or Town, State, Country and Zip Code), 787-620-1919 (Area Code) (Telephone Number)

Mail Address PO Box 363628 (Street and Number or P.O. Box), San Juan , PR, US 00936-3628 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records F.D. Roosevelt Ave. 1441 (Street and Number)
San Juan , PR, US 00920 (City or Town, State, Country and Zip Code), 787-749-4949 (Area Code) (Telephone Number)

Internet Website Address www.ahmpr.com

Statutory Statement Contact Isamar Rosado Mrs. (Name), 787-749-4949 (Area Code) (Telephone Number)
isamarr@ssspr.com (E-mail Address), 787-749-4003 (FAX Number)

OFFICERS

President	Madeline Hernández Urquiza	Secretary	Carlos L Rodriguez Ramos
Treasurer	Ivette Reyes	Assistant Secretary	Carmen Lucca Colón

OTHER

DIRECTORS OR TRUSTEES

Ramón Manuel Ruiz Comas	Amílcar L Jordan Pérez	Roberto García Rodríguez
Madeline Hernández Urquiza	Carlos L Rodríguez Ramos	

State of Puerto Rico
County of Puerto Rico
SS:

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

Madeline Hernández Urquiza, CPA	Juan J. Rodriguez Gilibertys, CPA	
President	Finance Vice-President	

Subscribed and sworn to before me this
______ day of ______

a. Is this an original filing? Yes [X] No [ ]
b. If no,
1. State the amendment number
2. Date filed 04/14/2016
3. Number of pages attached

ASSETS

		Current Year			Prior Year
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1.	Bonds (Schedule D)	185,591,606		185,591,606	120,827,658
2.	Stocks (Schedule D):				
	2.1 Preferred stocks			0	0
	2.2 Common stocks			0	0
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens			0	0
	3.2 Other than first liens			0	0
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ .... encumbrances)			0	0
	4.2 Properties held for the production of income (less $ .... encumbrances)			0	0
	4.3 Properties held for sale (less $ .... encumbrances)			0	0
5.	Cash ($ 30,170,019 , Schedule E - Part 1), cash equivalents ($ .... , Schedule E - Part 2) and short-term investments ($ .... , Schedule DA)	30,170,019		30,170,019	14,847,903
6.	Contract loans, (including $ .... premium notes)			0	0
7.	Derivatives (Schedule DB)			0	0
8.	Other invested assets (Schedule BA)			0	0
9.	Receivables for securities			0	0
10.	Securities lending reinvested collateral assets (Schedule DL)			0	0
11.	Aggregate write-ins for invested assets	0	0	0	0
12.	Subtotals, cash and invested assets (Lines 1 to 11)	215,761,625	0	215,761,625	135,675,561
13.	Title plants less $ .... charged off (for Title insurers only)			0	0
14.	Investment income due and accrued	979,538		979,538	964,783
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	29,978,052	4,337,470	25,640,582	18,206,067
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)			0	0
	15.3 Accrued retrospective premiums ($ ....) and contracts subject to redetermination ($ ....)			0	0
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	245,115		245,115	717,717
	16.2 Funds held by or deposited with reinsured companies			0	0
	16.3 Other amounts receivable under reinsurance contracts			0	0
17.	Amounts receivable relating to uninsured plans	21,940,462		21,940,462	22,956,323
18.1	Current federal and foreign income tax recoverable and interest thereon			0	0
18.2	Net deferred tax asset	7,996,178	84,550	7,911,628	3,754,171
19.	Guaranty funds receivable or on deposit			0	0
20.	Electronic data processing equipment and software			0	0
21.	Furniture and equipment, including health care delivery assets ($ ....)			0	0
22.	Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23.	Receivables from parent, subsidiaries and affiliates	6,109,539		6,109,539	36,589,320
24.	Health care ($ 7,951,259) and other amounts receivable	23,303,076	15,351,817	7,951,259	4,631,112
25.	Aggregate write-ins for other than invested assets	625,310	363,733	261,577	4,166,004
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	306,938,895	20,137,570	286,801,325	227,661,059
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28.	Total (Lines 26 and 27)	306,938,895	20,137,570	286,801,325	227,661,059
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.	Prepaid Insurance	57,333	57,333	0	0
2502.	Prepaid Income Tax	254,987		254,987	4,166,004
2503.	Plan to Plan receivable	6,590		6,590	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	306,400	306,400	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	625,310	363,733	261,577	4,166,004

LIABILITIES, CAPITAL AND SURPLUS

	Current Year 1 Covered	2 Uncovered	3 Total	Prior Year 4 Total
1. Claims unpaid (less $ 0 reinsurance ceded)	122,960,125		122,960,125	107,545,503
2. Accrued medical incentive pool and bonus amounts	5,801,006		5,801,006	9,632,781
3. Unpaid claims adjustment expenses	1,115,759		1,115,759	1,108,729
4. Aggregate health policy reserves, including the liability of $ for medical loss ratio rebate per the Public Health Service Act	9,234,365		9,234,365	4,478,384
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	16,573,619		16,573,619	23,762,599
10.1 Current federal and foreign income tax payable and interest thereon (including $ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	(126)
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including $ current) and interest thereon $ (including $ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates	43,038,550	450,000	43,488,550	35,088,104
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with $ authorized reinsurers, $ 0 unauthorized reinsurers and $ 0 certified reinsurers)			0	0
20. Reinsurance in unauthorized and certified ($) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including $ current)	600,000	0	600,000	600,000
24. Total liabilities (Lines 1 to 23)	199,323,424	450,000	199,773,424	182,215,974
25. Aggregate write-ins for special surplus funds	XXX	XXX	18,104,322	19,776,399
26. Common capital stock	XXX	XXX	18,750	18,750
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	26,856,250	1,406,250
29. Surplus notes	XXX	XXX	25,480,000	25,480,000
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	16,568,579	(1,236,313)
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	87,027,901	45,445,086
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	286,801,325	227,661,060
DETAILS OF WRITE-INS				
2301. Statutory Reserve	600,000		600,000	600,000
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	600,000	0	600,000	600,000
2501. Special Surplus	XXX	XXX	18,104,322	19,776,399
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	18,104,322	19,776,399
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

		Current Year		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	XXX	1,447,420	612,537
2.	Net premium income (including $ non-health premium income)	XXX	1,097,231,635	539,750,312
3.	Change in unearned premium reserves and reserve for rate credits	XXX	0	
4.	Fee-for-service (net of $ medical expenses)	XXX	0	
5.	Risk revenue	XXX	0	
6.	Aggregate write-ins for other health care related revenues	XXX	0	0
7.	Aggregate write-ins for other non-health revenues	XXX	58,310	22,599
8.	Total revenues (Lines 2 to 7)	XXX	1,097,289,945	539,772,911
	Hospital and Medical:			
9.	Hospital/medical benefits		479,279,271	237,573,256
10.	Other professional services		286,629,668	130,512,283
11.	Outside referrals		0	
12.	Emergency room and out-of-area		0	
13.	Prescription drugs		160,582,639	72,543,527
14.	Aggregate write-ins for other hospital and medical	0	0	0
15.	Incentive pool, withhold adjustments and bonus amounts		1,386,216	16,660,398
16.	Subtotal (Lines 9 to 15)	0	927,877,794	457,289,464
	Less:			
17.	Net reinsurance recoveries		(55,743)	(728,613)
18.	Total hospital and medical (Lines 16 minus 17)	0	927,933,537	458,018,077
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including $ 8,414,504 cost containment expenses		8,938,313	4,019,595
21.	General administrative expenses		147,531,931	72,212,367
22.	Increase in reserves for life and accident and health contracts (including $ increase in reserves for life only)		0	0
23.	Total underwriting deductions (Lines 18 through 22)	0	1,084,403,781	534,250,039
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	12,886,164	5,522,872
25.	Net investment income earned (Exhibit of Net Investment Income, Line 17)		2,892,739	2,825,461
26.	Net realized capital gains (losses) less capital gains tax of $		43,944	260,942
27.	Net investment gains (losses) (Lines 25 plus 26)	0	2,936,683	3,086,403
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	0	0	0
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	15,822,847	8,609,275
31.	Federal and foreign income taxes incurred	XXX	3,517,721	1,909,387
32.	Net income (loss) (Lines 30 minus 31)	XXX	12,305,126	6,699,888
	DETAILS OF WRITE-INS			
0601.		XXX		
0602.		XXX		
0603		XXX		
0698.	Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699.	Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	Other Income	XXX	58,310	22,599
0702.		XXX		
0703		XXX		
0798.	Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799.	Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	58,310	22,599
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901.				
2902.				
2903				
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999.	Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0	0

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1 Current Year	2 Prior Year
	CAPITAL AND SURPLUS ACCOUNT		
33.	Capital and surplus prior reporting year	45,445,084	52,787,563
34.	Net income or (loss) from Line 32	12,305,126	6,699,888
35.	Change in valuation basis of aggregate policy and claim reserves		
36.	Change in net unrealized capital gains (losses) less capital gains tax of $		
37.	Change in net unrealized foreign exchange capital gain or (loss)		
38.	Change in net deferred income tax		
39.	Change in nonadmitted assets	4,585,394	(22,709,966)
40	Change in unauthorized and certified reinsurance	0	0
41.	Change in treasury stock	0	0
42.	Change in surplus notes	0	0
43.	Cumulative effect of changes in accounting principles		
44.	Capital Changes:		
	44.1 Paid in	0	0
	44.2 Transferred from surplus (Stock Dividend)	0	0
	44.3 Transferred to surplus		
45.	Surplus adjustments:		
	45.1 Paid in	25,450,000	0
	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	(757,703)	8,667,599
48.	Net change in capital and surplus (Lines 34 to 47)	41,582,817	(7,342,479)
49.	Capital and surplus end of reporting period (Line 33 plus 48)	87,027,901	45,445,084
	DETAILS OF WRITE-INS		
4701.	Other	(98,794)	(78,738)
4702.	Uncovered Liabilities	(450,000)	0
4703.	Prior year adjustment		1,542,333
4798.	Summary of remaining write-ins for Line 47 from overflow page	(208,909)	7,204,004
4799.	Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	(757,703)	8,667,599

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,097,494,532	537,566,081
2. Net investment income	4,271,931	3,399,099
3. Miscellaneous income	58,310	0
4. Total (Lines 1 through 3)	1,101,824,773	540,965,180
5. Benefit and loss related payments	915,878,088	469,174,876
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	162,636,333	60,820,989
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)	3,644,451	6,217,457
10. Total (Lines 5 through 9)	1,082,158,872	536,213,322
11. Net cash from operations (Line 4 minus Line 10)	19,665,902	4,751,857
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	42,187,711	55,010,779
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	42,187,711	55,010,779
13. Cost of investments acquired (long-term only):		
13.1 Bonds	108,301,663	51,676,030
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	108,301,663	51,676,030
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(66,113,952)	3,334,749
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	25,450,000	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	36,320,166	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	61,770,166	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	15,322,116	8,086,606
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	14,847,903	6,761,297
19.2 End of year (Line 18 plus Line 19.1)	30,170,019	14,847,903

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

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Net premium income	1,097,231,635						1,097,231,635			
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of $ .... medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	58,310	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	58,310
7. Total revenues (Lines 1 to 6)	1,097,289,945	0	0	0	0	0	1,097,231,635	0	0	58,310
8. Hospital/medical benefits	479,279,271						479,279,271			XXX
9. Other professional services	286,629,668						286,629,668			XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	0									XXX
12. Prescription drugs	160,582,639						160,582,639			XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	1,386,216						1,386,216			XXX
15. Subtotal (Lines 8 to 14)	927,877,794	0	0	0	0	0	927,877,794	0	0	XXX
16. Net reinsurance recoveries	(55,743)						(55,743)			XXX
17. Total medical and hospital (Lines 15 minus 16)	927,933,537	0	0	0	0	0	927,933,537	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including $ .... cost containment expenses	8,938,313						8,938,313			
20. General administrative expenses	147,531,931						147,531,931			
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	1,084,403,781	0	0	0	0	0	1,084,403,781	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	12,886,164	0	0	0	0	0	12,827,854	0	0	58,310
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601. Other Income	58,310	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	58,310
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	58,310	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	58,310
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)				0
2. Medicare Supplement				0
3. Dental only				0
4. Vision only				0
5. Federal Employees Health Benefits Plan	0			0
6. Title XVIII - Medicare	1,098,331,635		1,100,000	1,097,231,635
7. Title XIX - Medicaid	0			0
8. Other health				0
9. Health subtotal (Lines 1 through 8)	1,098,331,635	0	1,100,000	1,097,231,635
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	1,098,331,635	0	1,100,000	1,097,231,635

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Payments during the year:										
1.1 Direct	926,632,813						926,632,813			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	926,632,813	0	0	0	0	0	926,632,813	0	0	0
2. Paid medical incentive pools and bonuses	10,775,710						10,775,710			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	122,960,125	72,222	0	0	0	0	122,887,903	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	122,960,125	72,222	0	0	0	0	122,887,903	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	5,801,006						5,801,006			
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	3,027,467						3,027,467			
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	123,101,360	72,222	0	0	0	0	123,029,138	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	123,101,360	72,222	0	0	0	0	123,029,138	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0									
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	9,632,781						9,632,781			
11. Amounts recoverable from reinsurers December 31, prior year	(2,474,509)						(2,474,509)			
12. Incurred Benefits:										
12.1 Direct	926,491,578	0	0	0	0	0	926,491,578	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	5,501,976	0	0	0	0	0	5,501,976	0	0	0
12.4 Net	920,989,602	0	0	0	0	0	920,989,602	0	0	0
13. Incurred medical incentive pools and bonuses	6,943,935	0	0	0	0	0	6,943,935	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other Health	10 Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	52,621,359						52,621,359			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	52,621,359	0	0	0	0	0	52,621,359	0	0	0
2. Incurred but Unreported:										
2.1 Direct	69,935,128	72,222					69,862,906			
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	69,935,128	72,222	0	0	0	0	69,862,906	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	403,638						403,638			
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	403,638	0	0	0	0	0	403,638	0	0	0
4. TOTALS:										
4.1 Direct	122,960,125	72,222	0	0	0	0	122,887,903	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	122,960,125	72,222	0	0	0	0	122,887,903	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
Line of Business	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)			72,222		72,222	72,222
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare	100,693,066	804,881,914	8,062,406	114,825,497	108,755,472	107,473,281
7 Title XIX - Medicaid					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8)	100,693,066	804,881,914	8,134,628	114,825,497	108,827,694	107,545,503
10. Healthcare receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts	10,068,536	707,174	1,789,724	4,011,282	11,858,260	9,632,781
13. Totals (Lines 9 - 10 + 11 + 12)	110,761,602	805,589,088	9,924,352	118,836,779	120,685,954	117,178,284

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Title XVIII

	Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	(263,420)	(301,967)	(136,905)	(99,525)	
2.	2011	363,373	47,142	583	(6,412)	
3.	2012	XXX	431,842	51,017	457,460	
4.	2013	XXX	XXX	368,425	37,382,581	
5.	2014	XXX	XXX	XXX	268,495,277	
6.	2015	XXX	XXX	XXX	XXX	

Section B - Incurred Health Claims - Title XVIII

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2011	2 2012	3 2013	4 2014	5 2015
1.	Prior	49,736	(301,967)	(136,882)	(93,661)	
2.	2011	456,451	539		10	
3.	2012	XXX	51,490	2,554	30,134	
4.	2013	XXX	XXX	58,658	275,638	
5.	2014	XXX	XXX	XXX	48,411,948	
6.	2015	XXX	XXX	XXX	XXX	

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

	Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1.	2011				0.0	0	0.0			0	0.0
2.	2012				0.0	0	0.0			0	0.0
3.	2013	519,920			0.0	0	0.0			0	0.0
4.	2014	539,750			0.0	0	0.0			0	0.0
5.	2015				0.0	0	0.0	128,761	1,115	129,876	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS

(000 Omitted)

Section A - Paid Health Claims - Grand Total

	Cumulative Net Amounts Paid				
Year in Which Losses Were Incurred	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	(263,420)	(301,967)	(136,905)	(99,525)	0
2. 2011	363,373	47,142	583	(6,412)	0
3. 2012	XXX	431,842	51,017	457,460	0
4. 2013	XXX	XXX	368,425	37,382,581	0
5. 2014	XXX	XXX	XXX	268,495,277	0
6. 2015	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Grand Total

	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
Year in Which Losses Were Incurred	1 2011	2 2012	3 2013	4 2014	5 2015
1. Prior	49,736	(301,967)	(136,882)	(93,661)	0
2. 2011	456,451	539	0	10	0
3. 2012	XXX	51,490	2,554	30,134	0
4. 2013	XXX	XXX	58,658	275,638	0
5. 2014	XXX	XXX	XXX	48,411,948	0
6. 2015	XXX	XXX	XXX	XXX	0

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2011	0	0	0	0.0	0	0.0	0	0	0	0.0
2. 2012	0	0	0	0.0	0	0.0	0	0	0	0.0
3. 2013	519,920	0	0	0.0	0	0.0	0	0	0	0.0
4. 2014	539,750	0	0	0.0	0	0.0	0	0	0	0.0
5. 2015	0	0	0	0.0	0	0.0	128,761	1,115	129,876	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1 Total	2 Comprehensive (Hospital & Medical)	3 Medicare Supplement	4 Dental Only	5 Vision Only	6 Federal Employees Health Benefits Plan	7 Title XVIII Medicare	8 Title XIX Medicaid	9 Other
1. Unearned premium reserves	0								
2. Additional policy reserves (a)	9,234,365						9,234,365		
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including $) for investment income	0								
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	9,234,365	0	0	0	0	0	9,234,365	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	9,234,365	0	0	0	0	0	9,234,365	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	0								
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	0	0	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (Net)(Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes $ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses 1 Cost Containment Expenses	Claim Adjustment Expenses 2 Other Claim Adjustment Expenses	3 General Administrative Expenses	4 Investment Expenses	5 Total
1. Rent ($ for occupancy of own building)			4,249,635		4,249,635
2. Salary, wages and other benefits			37,129,474		37,129,474
3. Commissions (less $ ceded plus $ assumed)			9,256,777		9,256,777
4. Legal fees and expenses			30,924		30,924
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services			54,818,972		54,818,972
7. Traveling expenses			161,770		161,770
8. Marketing and advertising			5,710,981		5,710,981
9. Postage, express and telephone			3,436,764		3,436,764
10. Printing and office supplies			1,701,137		1,701,137
11. Occupancy, depreciation and amortization			1,946,181		1,946,181
12. Equipment			465,690		465,690
13. Cost or depreciation of EDP equipment and software	8,414,504	523,809			8,938,313
14. Outsourced services including EDP, claims, and other services					0
15. Boards, bureaus and association fees			1,132,857		1,132,857
16. Insurance, except on real estate			981,024		981,024
17. Collection and bank service charges			262,930		262,930
18. Group service and administration fees					0
19. Reimbursements by uninsured plans					0
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses					0
22. Real estate taxes			278,314		278,314
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes			497,511		497,511
23.2 State premium taxes					0
23.3 Regulatory authority licenses and fees			18,788,469		18,788,469
23.4 Payroll taxes			3,342,455		3,342,455
23.5 Other (excluding federal income and real estate taxes)			241,809		241,809
24. Investment expenses not included elsewhere					0
25. Aggregate write-ins for expenses	0	0	3,098,257	0	3,098,257
26. Total expenses incurred (Lines 1 to 25)	8,414,504	523,809	147,531,931	0	(a) 156,470,244
27. Less expenses unpaid December 31, current year		1,115,759	16,573,619		17,689,378
28. Add expenses unpaid December 31, prior year		1,108,729	8,206,741		9,315,470
29. Amounts receivable relating to uninsured plans, prior year					0
30. Amounts receivable relating to uninsured plans, current year					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	8,414,504	516,779	139,165,053	0	148,096,336
DETAILS OF WRITE-INS					
2501. Other Expenses			3,098,257		3,098,257
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	3,098,257	0	3,098,257

(a) Includes management fees of $ 120,695,480 to affiliates and $ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 4,930,270	2,892,739
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a)	
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5	Contract Loans		
6	Cash, cash equivalents and short-term investments	(e)	
7	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	0	0
10.	Total gross investment income	4,930,270	2,892,739
11.	Investment expenses		(g) 0
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		0
17.	Net investment income (Line 10 minus Line 16)		2,892,739
	DETAILS OF WRITE-INS		
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

(a) Includes $ 109,824 accrual of discount less $ 1,503,771 amortization of premium and less $ 705,534 paid for accrued interest on purchases.

(b) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued dividends on purchases.

(c) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(d) Includes $ .... for company's occupancy of its own buildings; and excludes $ .... interest on encumbrances.

(e) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(f) Includes $ .... accrual of discount less $ .... amortization of premium.

(g) Includes $. .... investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.

(i) Includes $ .... depreciation on real estate and $ .... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	(41,047)	0	(41,047)	0	0
1.1	Bonds exempt from U.S. tax			0		
1.2	Other bonds (unaffiliated)	84,991	0	84,991	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans		0	0	0	0
4.	Real estate		0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets		0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	43,944	0	43,944	0	0
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	4,337,470	7,278,901	2,941,431
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	84,550	4,115,151	4,030,601
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates		2,918,886	2,918,886
24. Health care and other amounts receivable	15,351,817	9,913,418	(5,438,399)
25. Aggregate write-ins for other than invested assets	363,733	496,608	132,875
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	20,137,570	24,722,964	4,585,394
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	20,137,570	24,722,964	4,585,394
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaid Insurance	57,333	58,511	1,178
2502. Plan to Plan receivable	0	8,033	8,033
2503. Inyangible Assets-APL	306,400	430,064	123,664
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	363,733	496,608	132,875

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

	Total Members at End of					6
Source of Enrollment	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	Current Year Member Months
1. Health Maintenance Organizations	50,771	116,292	120,147	124,004	123,888	1,447,420
2. Provider Service Organizations						
3. Preferred Provider Organizations						
4. Point of Service						
5. Indemnity Only						
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	50,771	116,292	120,147	124,004	123,888	1,447,420
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page	0	0	0	0	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

1. Summary of Significant Accounting Policies

A. Accounting practices

The accompanying statutory financial statements of the Company have been prepared in accordance with accounting practices prescribed or permitted by the Commissioner of Insurance, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles. The Company adopted the National Association of Insurance Commissioners' Statutory Accounting Practices (NAIC SAP) as the basis of its statutory accounting practices, as long as they do not contradict the provisions of the Puerto Rico Insurance Code or the Circular Letters issued by the Commissioner of Insurance.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. Prescribed statutory accounting practices include a variety of publications of the National Association of Insurance Commissioners (NAIC) including its codification initiative contained in its accounting practices and procedures manual, as well as state laws, regulations, and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed. The Commissioner of Insurance has adopted certain prescribed accounting practices that differ from those found in NAIC SAP; however, differences adopted by the Commissioner of Insurance do not have a significant effect on the net income and statutory capital and surplus of the Company.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Commissioner Insurance of Puerto Rico is shown below:

		State of Domicile	**2015**	**2014**
NET INCOME				
(1)	State basis (Page 4, Line 32, Columns 2 & 3)	PR	12,305,126	6,699,888
(2)	State Prescribed Practices that increase/(decrease) NAIC SAP			
(3)	State Permitted Practices that increase/(decrease) NAIC SAP			
(4)	NAIC SAP (1-2-3=4)	PR	12,305,126	6,699,888
SURPLUS				
(5)	State basis (Page 3, Line 33, Columns 3 & 4)	PR	87,027,899	45,445,086
(6)	State Prescribed Practices that increase/(decrease) NAIC SAP			
(7)	State Permitted Practices that increase/(decrease) NAIC SAP			
(8)	NAIC SAP (5-6-7=8)	PR	87,027,899	45,445,086

B. Use of Estimates

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities, revenue and expenses, and the disclosure of contingent assets and liabilities to prepare these statutory financial statements in conformity with the accounting practices prescribed or permitted by the Commissioner of Insurance. Actual results could differ from those estimates. The most significant items on the statutory statement of admitted assets, liabilities, and capital and surplus that involve a greater degree of accounting estimates and actuarial determinations subject to change in the future are the assessment of other-than-temporary impairments, claims liabilities, risk score adjustments and Part D risk sharing. As additional information becomes available (or actual amounts are determinable), the recorded estimates are revised and reflected in operating results. Although some variability is inherent in these estimates in the near future, the Company believes the amounts provided are adequate.

C. Accounting Policy

Nonadmitted Assets
Certain assets designated as "nonadmitted assets" have been excluded from the admitted assets by a charge to surplus.

The nonadmitted assets charged to surplus during 2015 and 2014 are as follows:

	2015	2014
Accounts Receivable	$ 19,689,287	$ 17,200,351
Deferred Tax Assets	84,550	4,115,151
Intangible Assets	306,400	430,063
Due from Affiliates	450,000	2,918,886
Other	57,333	58,510
	$ 20,587,570	$ 24,722,961

Short-Term investments
Short-term investments which have maturities of less than one year are stated at cost. There are no short-term investments at December 31, 2015 and 2014.

Investments
Debt and equity securities are valued in accordance with rules promulgated by the NAIC. Debt securities that are designated highest-quality and high-quality (NAIC designation 1 and 2) are reported at amortized cost, with all other debt securities reported at the lower of amortized cost or fair market value. Debt securities eligible for amortization under such rules are stated net of unamortized premiums or discounts. As of December 31, 2015 and 2014 there are no debt securities reported at fair value on the Statements of Admitted Assets, Liabilities, and Capital and Surplus.

Realized gains or losses on the sale of investments are included in operations and are derived using the specific-identification method for determining the cost of securities sold. Interest and dividend income is recognized when earned. Premiums and discounts are amortized or accreted over the life of the investment as an adjustment to yield using the effective-interest method.

The Company regularly invests in mortgaged-backed securities and other securities subject to prepayment and call risk. Significant changes in prevailing interest rates may adversely affect the timing and amount of cash flows on such securities. In addition, the amortization of market premium and accretion of market discount for mortgaged-backed securities is based on historical experience and estimates of future payment speeds on the underlying mortgage loans. Actual prepayment speeds will differ from original estimates and may result in material adjustments to amortization or accretion recorded in future periods.

A decline in the fair value of any security below cost that is deemed to be other than temporary results in a reduction in the carrying amount to fair value. The impairment is charged to earnings and a new net cost basis for the security is established. To determine whether an impairment is other than temporary, the Company considers whether evidence indicating that the cost of the investment is recoverable outweighs evidence to the contrary. Evidence considered in this assessment includes the reasons for the impairment, the severity and duration of the impairment, changes in the value subsequent to year-end, and forecasted performance of the investee.

Revenue Recognition
Premiums for the Medicare Advantage (MA) business are based on a bid contract with Centers for Medicare and Medicaid Services (CMS) and collected in advance of the coverage period. Related revenue is recorded as earned during the coverage period. MA contracts provide for a risk factor to adjust premiums paid for members that represent a higher or lower risk to the company. Retroactive rate adjustments are made periodically based on the aggregate health status and risk scores of the Company's MA membership. These risk adjustments are evaluated quarterly based on actuarial estimates. Actual results could differ from these estimates. As

additional information becomes available, the recorded estimate is revised and reflected in operating results.

The Company offers prescription drug coverage to Medicare eligible beneficiaries as part of its MA plans (*MA-PD*). Premiums are based on a bid contract with CMS that considers the estimate costs of providing prescription drug benefits to enrolled participants. MA-PD premiums are subject to adjustment, positive or negative, based upon the application of risk corridors that compare the estimate prescription drug costs included in the bids to CMS actual prescription drug costs. Variances exceeding certain thresholds may result in CMS making additional payments to the Company or in the Company refunding CMS a portion of the premiums collected. The Company estimates and records adjustments to earned premiums related to estimated risk corridor payments based upon actual prescription drug costs for each reporting period. CMS pays the Company an estimated amount for the Part D Catastrophic Reinsurance Subsidy to fund the CMS obligation to pay approximately 80% of the costs incurred by individual members in the excess of the individual annual out-of-pocket maximum. The Company does not recognize premium revenue or claims expense for these CMS subsidies. Amounts are subject to future settlements which may differ from the original estimate. Any difference between the settlement and the estimated amount is recorded in the period in which they become known. The total Catastrophic receivable was $14,430,166 and
$12,487,286 as of December 31, 2015 and 2014, respectively, and the risk share payable balance was $3,655,569 and $2,042,496 as of December 31, 2015 and 2014, respectively.

Claim Liabilities
Claims liabilities for health insurance policies represent the estimated amounts paid to providers based on experience and accumulated statistical data. Unpaid claims adjustment expenses related to such claims are accrued currently based on estimated future expenses necessary to process such claims.

Claim liabilities are necessarily based on estimates, and while management believes that the amounts are adequate, the ultimate liability may be in excess of or less than the amounts provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the statutory statements of revenue and expenses in the period determined.

Reclassifications
Certain amounts within the liabilities presented in the 2014 consolidated balance sheet were reclassified to conform to the 2015 presentation.

Fair Value of Financial Instruments
The estimated fair value information for financial instruments in the accompanying statutory financial statements was determined as follows:

- Cash and Short-Term Investments – The carrying amount approximates estimated fair value because of the short-term nature of those instruments.

- Investment in Securities – The estimated fair value of investment in securities is based on quoted market prices for those or similar investments. Additional information pertinent to the estimated fair value of investment in securities is included in Note 3.

Fair Value Measurements
The Company follows the guidance in the provisions of SSAP No. 100, Fair Value Measurements, for fair value measurements of financial assets and financial liabilities that are recognized or disclosed at fair value in the statutory financial statements on a recurring basis. SSAP No. 100 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. SSAP No. 100 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

Income Taxes
Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax

bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in surplus in the period that includes the enactment date. On November 6, 2011, SSAP No. 101, Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10, was adopted by the NAIC. SSAP No. 101 contains changes to accounting for current and deferred federal and foreign income taxes, effective January 1, 2012. This guidance provides that the deferred tax asset admissibility guidance is no longer elective, and the reversal and surplus limitation parameters in the admissibility tests are determined based on the risk-based capital level. It also requires gross deferred tax assets to be reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Finally, the guidance sets a more likely than not threshold for the recording of contingent tax liabilities. There are no deferred credits related to income tax credits as of December 31, 2015 and 2014.

The Company records any interest and penalties related to unrecognized tax benefits within the operating expenses in the statement of revenues and expenses.

Reinsurance
In the normal course of business, the Company seeks to reduce the loss that may arise from events that cause unfavorable underwriting results by reinsuring certain levels of risk with reinsurers. Premiums ceded and recoveries of losses have been reported as a reduction of premiums and claims incurred, respectively.

2. Accounting Changes and Corrections of Errors

Not Applicable.

3. Business Combinations and Goodwill

Not Applicable.

4. Discontinued Operations

Not Applicable.

5. Investments

A. Mortgage Loans

Not Applicable

B. Debt Restructuring

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Debt Securities

The amortized cost, gross unrealized gains, gross unrealized losses, and estimated fair value of debt securities at December 31, 2015 and 2014 are as follows:

	2015			
	Amortized Cost (Carrying Value)	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Obligations of government - Agencies and US Treasury Securities	$ 87,069,813	$ 2,427	$ (95,595)	$ 86,976,645
Obligations of the Commonwealth of Puerto Rico and its instrumentalities	2,321,796	4,588	(603)	2,325,781
Municipal bonds	81,986,472	1,000,256	(12,231)	82,974,497
Industrial and Miscellaneous	14,213,524	1,724	(40,588)	14,174,660
	$ 185,591,605	$ 1,008,995	$ (149,017)	$ 186,451,583

	2014			
	Amortized Cost (Carrying Value)	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Government Sponsored	$ 33,047,725	$ 15,109	$ (6,704)	$ 33,056,130
US Treasury and Obligations of US Govermental Insdtrumentalities	15,715,899	7,146	-	15,723,045
Municipal bonds	72,064,033	1,299,842	(4,806)	73,359,069
	$ 120,827,657	$ 1,322,097	$ (11,510)	$ 122,138,244

The above debt securities are presented in the statutory statements of admitted assets, liabilities, and capital and surplus as follows:

	2015	2014
Bonds and notes	$ 183,269,809	$ 120,827,657
Mortgage-backed securities	-	-
Zero coupons and certificates of accrual	2,321,796	-
Collateralized mortgage obligations	-	-
	$ 185,591,605	$ 120,827,657

Gross unrealized losses on investment securities and the estimated fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, as of December 31, 2015 and 2014 are as follows:

	2015					
	Less than 12 months		12 months or more		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Fixed maturities:						
Municipal securities	$ 4,029,136	$ (12,231)	$ -	$ -	$ 4,029,136	$ (12,231)
Obligations of government - Agencies					-	-
and US Treasury Securities	64,406,895	(95,595)			64,406,895	(95,595)
Industrial and Miscellaneous	9,166,260	(40,588)			9,166,260	(40,588)
Special Revenue & Assessment	686,918	(603)			686,918	(603)
Total	$ 78,289,209	$ (149,017)	$ -	$ -	$ 78,289,209	$ (149,017)

	2014					
	Less than 12 months		12 months or more		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
Fixed maturities:						
Municipal securities	$ 1,765,194	$ (4,806)	$ -	$ -	1,765,194	$ (4,806)
Government sponsored	18,043,830	(6,704)	-	-	18,043,830	(6,704)
Total	$ 19,809,024	$ (11,510)	$ -	$ -	$ 19,809,024	$ (11,510)

The Company on a quarterly basis monitors and evaluates the difference between the cost and estimated fair value of investments. For investments with a fair value below cost, an other-than-temporary impaired analysis (OTTI) is performed. The OTTI analysis includes, but not limited to, evaluating: (1) the length of time and the extent to which the estimated fair value has been less than amortized cost for fixed maturity securities, or cost for equity securities, (2) the financial condition, near-term and long-term prospects for the issuer, including relevant industry conditions and trends, and implications of rating agency actions, (3) the Company's intent to sell the security or the likelihood of a required sale prior to recovery, (4) the recoverability of principal and interest for fixed maturity securities, or cost for equity securities, and (5) other factors, as applicable. This process is not exact and further requires consideration of risks such as credit and interest rate risks. Consequently, if an investment's cost exceeds its estimated fair value solely due to changes in interest rates, other-than temporary impairment may not be appropriate. Due to the subjective nature of the Company's analysis, along with the judgment that must be applied in the analysis, it is possible that the Company could reach a different conclusion whether or not to impair a security if it had access to additional information about the investee. Additionally, it is possible that the investee's ability to meet future contractual obligations may be different than what the Company determined during its analysis, which may lead to a different impairment conclusion in future periods. If after monitoring and analyzing impaired securities, the Company determines that a decline in the estimated fair value of any available-for-sale or held-to-maturity security below cost is other than temporary, the carrying amount of the security is reduced to its fair value in accordance with current accounting guidance. The new cost basis of an impaired security is not adjusted for subsequent increases, in estimated fair value. In periods subsequent to the recognition of an other-than-temporary impairment, the impaired security is accounted for as if it had been purchased on the measurement date of the impairment. For debt securities, the discount (or reduced premium) based on the new cost basis may be accreted into net investment income in future periods based on prospective changes in cash flow estimates, to reflect adjustments to the effective yield.

The Corporation's process for identifying and reviewing invested assets for other-than temporary impairments during any quarter includes the following:

- Identification and evaluation of securities that have possible indications of other-than-temporary impairment, which includes an analysis of all investments with gross unrealized investments losses that represent 20% or more of cost and all investments with an unrealized loss greater than $100,000.

- Review and evaluation of any other security based on the investee's current financial condition, liquidity, near-term recovery prospects, implications of rating agency actions, the outlook for the business sectors in which the investee operates and other factors. This evaluation is in addition to the evaluation of those securities with a gross unrealized investment loss representing 20% or more of their cost.

- Consideration of evidential matter, including an evaluation of factors or triggers that may or may not cause individual investments to qualify as having other-than-temporary impairments; and

- Determination of the status of each analyzed security as other-than-temporary or not, with documentation of the rationale for the decision.

- Equity securities are considered to be impaired when a position is in an unrealized loss for a period longer than 6 months.

No impairments on investments were recorded for the years ended December 31, 2015 and 2014. Given the current market conditions and the significant judgment involved, there is a continuing risk, that further declines in fair value may occur and additional material other-than-temporary impairments may be recorded in future periods. Throughout the calendar year the Company continues to monitor the investment portfolios under the Company's impairment review policy.

Obligations of Government Agencies and US Treasury Securities, Municipal Bonds, and Obligations of the Commonwealth of Puerto Rico and its Instrumentalities

The unrealized losses on the Company's investments in obligations of government-sponsored enterprises, municipal securities, and obligations of the Commonwealth of Puerto Rico and its instrumentalities were mainly caused by fluctuations in interest rate and general market conditions. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than the par value of the investment. Because the decline in fair value is attributable to changes in interest rates and not credit quality, and because the Company does not intend to sell the investments and it is not more likely than not that the Company will be required to sell the investments before recovery of their amortized cost basis, which may be maturity, and because the Company expects to collect all contractual cash flows, these investments are not considered other than-temporarily impaired.

The amortized cost and estimated fair value of debt securities at December 31, 2015 by contractual maturity are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized cost	Estimated Fair value
Due less than one year	$ 7,213,080	$ 7,267,003
Due after one year through five years	166,302,931	167,062,330
Due after five years through ten years	12,075,595	12,122,250
Due after ten years through twenty years	-	-
Over twenty years	-	-
	$185,591,606	$186,451,583

Proceeds from sales and maturities of debt securities during the year ended December 31, 2015 and 2014 were approximately $42,187,712 and $55,013,065, respectively. Gross gains and losses of approximately $84,991 and ($40,567) in 2015, respectively, and $448,650 and ($187,709) in 2014, respectively, were realized on those sales.

No instruments were held in the trading portfolio as of December 31, 2015.

E. Repurchase Agreements and/or Securities Lending Transactions

Not Applicable

F. Real Estate

Not Applicable

G. Low-Income Housing Tax Credits (LIHTC)

Not Applicable

H. Restricted Assets

Restricted Asset Category	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 which liability is not shown	$ -	$ -	$ -	$ -	0%	0%
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	-	-	-	-	-	-
i. On deposit with states	600,000	600,000	-	600,000	25%	27%
j. On deposit with other regulatory bodies	-	-	-	-	-	-
k. Pledge as collateral not captured in other categories	-	-	-	-	-	-
l. Other restricted assets	-	-	-	-	-	-
m. Total Restricted Assets	$ 600,000	$ 600,000	$ -	$ 600,000	25%	27%

At December 31, 2015 and 2014, the Company has a deposit of $600,000 with the Commissioner of Insurance to comply with the deposit requirements of the Insurance Code of the Commonwealth of Puerto Rico (the Insurance Code).

I. Working Capital Finance Investments

Not Applicable

J. Offsetting and Netting of Assets and Liabilities

Not Applicable

K. Structured Notes

Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

7. Investment Income

Components of net investment income earned for the years ended December 31, 2015 and 2014 were as follows:

	2015	2014
Debt securities		
Bonds and notes	$ 2,793,214	$ 2,756,126
Mortgage-backed securities	-	-
Zero coupons and certificates of accrual	69,072	-
Collateralized mortgage obligations	-	-
Cash and short-term investments	26,069	13,355
Other	-	6,450
	2,888,355	2,775,931
Equity securities		
Common stocks	-	-
	-	-
	2,888,355	2,775,931
Less: Investment and interest expenses incurred	-	-
	$ 2,888,355	$ 2,775,931

8. Derivative Instruments

Not Applicable.

9. Income Taxes

The Company is subject to Puerto Rico income taxes as an other than life insurance entity, as defined in the Puerto Rico Internal Revenue Code. The Company also is subject to U.S. federal income taxes for foreign source dividend income.

The components of the net deferred tax asset/(liability) at December 31, 2015 and 2014 area as follows:

	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets ..	..7,996,178	....	.7,996,178	. 7,869,322	....	.7,869,322	 126,856	0	126,856
(b) Statutory Valuation Allowance Adjustment	....	....	 0	....	....	 0	 0	0	 0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	..7,996,178	0	.7,996,178	. 7,869,322	0	.7,869,322	 126,856	0	126,856
(d) Deferred Tax Assets Nonadmitted	 84,550	....	84,550	. 4,115,151	....	.4,115,151	(4,030,601)	0	(4,030,601)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	..7,911,628	0	.7,911,628	. 3,754,171	0	.3,754,171	. 4,157,457	0	..4,157,457
(f) Deferred Tax Liabilities	....	....	 0	....	....	 0	 0	0	 0
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	. 7,911,628	0	.7,911,628	. 3,754,171	0	.3,754,171	. 4,157,457	0	..4,157,457

	2015	2014
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	202%	263%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	79,116,273	48,987,793

For both years ended December 31, 2015 and 2014, income tax expense differs from the amount computed by applying the Puerto Rico statutory income tax rate to the income before income taxes mainly as a result of exempt interest income, changes in nonadmitted assets, and unrealized gains at preferential rates. Additionally, the difference in the tax rate for the year ended December 31, 2014 is also impacted by the cumulative effect of the change in the enacted tax rate.

Deferred income taxes reflect the tax effects of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and income tax purposes. The net deferred tax asset at December 31, 2015 and 2014 of the Company is composed of the following:

Deferred Tax Assets:	2015	2014	Change
Receivables - nonadmitted	7,996,178	7,869,322	126,856
Nonadmitted	(84,550)	(4,115,151)	(4,030,601)
Net deferred tax assets/liabilities	7,911,628	3,754,171	4,157,457

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management believes that it is more likely than not that the Company will realize the benefits of these deductible differences.

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

The Company accounts transactions with related parties in accordance with SSAP No. 25, Accounting for and Disclosures about Transactions with Affiliates and Other Related Parties. Transactions between related parties must be in the form of a written agreement and the agreement must provide for a timely settlement of amounts owed with a specific due date. Amounts owed that are more than 90 days from the due date are nonadmitted. If the agreement does not contain a due date, the uncollected receivable amounts are nonadmitted. Intercompany receivables recorded as nonadmitted for December 31, 2015 and 2014 were $450,000 and $2,918,886, respectively.

The Company has the following net balances due from (to) the Parent Company and affiliates at December 31, 2015 and 2014, which are recorded as due from Parent Company and affiliates and other receivables or as other expenses due and accrued and other liabilities, as applicable, in the accompanying statutory statements of admitted assets, liabilities, and capital and surplus:

	2015	2014
Socios Mayores en Salud, Inc.	$ (39,518,355)	$ (23,436,699)
Triple-S Salud, Inc.	(3,039,073)	29,607,070
Socios Mayores en Salud Holdings, Inc.	(931,122)	(931,122)
Triple-S Management, Inc.	3,000,000	(2,217,893)
Interactive, Inc.	3,100,000	(1,529,679)
Triple-S Propiedad. Inc	9,538	9,538
Total	$ (37,379,012)	$ 1,501,215

On January 1, 2008, the Company entered into a Management Agreement (*the Agreement*) with Triple-S Advantage Solutions, Inc. (TSAS, Parent Company) in which TSAS will provide management services for a period of 10 years to the Company. The services to be provided under the terms of this Agreement include claims processing and payments, participating provider services, management information system, member services, quality management services and marketing services, among other services, as defined in the Agreement. In compensation for these services, the Company will pay TSAS a monthly fee as defined in the Agreement. During the years ended December 31, 2015 and 2014, the management fee charged by TSAS to the Company for the above services amounted to approximately $120,695,480 and $59,372,207 respectively, which are included in operating expenses in the accompanying statutory statements of revenues and expenses.

On February 7, 2011, Socios Mayores en Salud Holding, Inc. (SMS Holding) entered into a stock purchase agreement with Triple S Salud, Inc. (TSS), which is a wholly owned subsidiary of Triple S Management Corporation (TSM), effective January 31, 2011. Pursuant to this agreement, TSS acquired all stock of SMS Holdings. The Company accounted for this acquisition in accordance with the provisions of Statement of Statutory Accounting Principles (SSAP) No. 68 *Business Combination and Goodwill and Statement of Statutory Accounting Principles,* (SSAP) No. 97 *Investments in Subsidiary, Controlled and Affiliated Entities*, a replacement of SSAP No. 88 *Investments in Subsidiary, Controlled and Affiliated Entities*.

Effective December 31, 2014, the Company and TSS entered into a novation agreement after obtaining approval from CMS, whereby all the assets and liabilities of the related MA business maintained at the effective date were transferred to the Company. The Company assumed all obligations of the policies and all obligations that may exist under the contracts. The total assets of $40,003,943 and total liabilities of $79,348,183 related to the MA business were transferred as included in the table below. The difference between the assets and liabilities was settled in cash prior to March 31, 2015 and is recorded as an intercompany payable and intercompany receivable for TSS and the Company, respectively, as of December 31, 2014. Therefore, there is no gain or loss for either entity as a result of this transaction for the year-ended December 31, 2014.

Assets:		
Premiums and accounts receivable	$	39,629,427
Other assets		374,516
Due from TSS		39,344,240
Total assets	$	79,348,183
Liabilities:		
Claims liabilities	$	55,069,989
Accounts payable and accrued liabilities		24,278,194
Total liabilities	$	79,348,183

11. Debt

Not applicable.

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

Not Applicable.

13. Capital and Surplus, Shareholder’s Dividend Restrictions and Quasi-Reorganizations

As a member of the BCBSA, the Company is required by membership standards of the association to maintain liquidity as defined by BCBSA, that is, to maintain net worth exceeding the Company action level as defined in the NAIC's Risk-Based Capital for Insurers Model Act. The Company is in compliance with this requirement. On March 18, 2008, the Puerto Rico Insurance Code was amended to require that Insurance companies must comply with the requirements established by the NAIC's Risk-Based Capital for Insurers Model Act commencing on December 31, 2009.

The Company is authorized to issue 500 shares of class A common stock with no par value. At December 31, 2015 and 2014 none of these shares are issued and outstanding. The Company has class B common stock with a par value of $10 per share; 2,000 shares authorized of which 1,875 shares are issued and outstanding at December 31, 2015 and 2014.

The accumulated earnings of the Company are restricted as to the payment of dividends by statutory limitations applicable to domestic insurance companies. Such limitations restrict the payment of dividends by insurance companies generally to unrestricted unassigned surplus reported for statutory purposes, which is estimated at $16.6M at December 31, 2015. No dividends were paid as of December 31, 2015.

The Company entered into several unsecured notes agreements with Affiliate companies. Proceeds from surplus note issued on June 2006 were used to create a voluntary reserve to guarantee payments to providers under the Medicaid and Medicare Advantage plans. Proceeds from surplus notes issued during 2012 were used to improve the capital and surplus of the Company and the risk-based capital metrics. The Company obtained approval from the Commissioner as defined by the Insurance Code. Under the Insurance Code, surplus notes and related accrued interest cannot be paid without prior approval by the Commissioner.

A summary of the surplus notes entered by the Company as of December 31, 2015 is as follows:

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note*	Interest And/Or Principal Paid Current Year	Total Interest And/Or Principal Paid	Unapproved Interest And/Or Principal	Date of Maturity
06/28/2006	.... 3.000	480,000	480,000	....	....	136,800	NONE
06/29/2012	.... 4.700	10,000,000	10,000,000	....	....	..1,784,250	12/31/2020
12/30/2012	.... 4.700	15,000,000	15,000,000	....	....	..2,275,630	12/31/2020
		25,480,000	25,480,000	0	0	4,196,680	

14. Contingencies

The Company's business is subject to numerous laws and regulations promulgated by Federal and Puerto Rico governmental authorities. Compliance with these laws and regulations can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. The Commissioner of Insurance of Puerto Rico, as well as other Federal and Puerto Rico government authorities, regularly make inquiries and conduct audits concerning the Company's compliance with such laws and regulations. Penalties associated with violations of these laws and regulations may include significant fines and exclusion from participating in certain publicly funded programs and may require the Company to comply with corrective action plans or changes in our practices.

As of December 31, 2015, the Company is involved in various legal actions arising in the ordinary course of business. The Company is also defendant in various other litigations and proceedings. Where the Company believes that a loss is both probable and estimable, such amounts have been recorded. Although the Company believes the estimates of such losses are reasonable, these estimates could change as a result of further developments in these matters. In other cases, it is at least reasonably possible that the Company may incur a loss related to one or more of the pending lawsuits or investigations, but the Company is unable to estimate the range of possible loss which may be ultimately realized, either individually or in the aggregate, upon their resolution. The outcome of legal proceedings is inherently uncertain and pending matters for which accruals have not been established have not progressed sufficiently to enable us to estimate a range of possible loss, if any. Given the inherent unpredictability of these matters, it is possible that an adverse outcome in one or more of these matters could have a material adverse effect on the consolidated financial condition, operating results and/or cash flows of the Company.

Regulatory Matters
Our business is subject to review by regulators in Puerto Rico and federal regulatory authorities. These regulatory authorities conduct regular reviews of many aspects of our business, including, but not limited to, legal and regulatory compliance, business practices, privacy issues, delivery of services, among others. These reviews could result in fines or other sanctions being imposed on us or may require us to adopt corrective action plans or changes in our practices. Also, they could have a material adverse effect on our reputation and business, including mandatory disclosure to the media, significant increases in the cost of managing and remediating incidents and material fines, contract termination, penalties and litigation awards, among other consequences, any of which could have a material and adverse effect on our results of operations, financial position and cash flows.

On November 20, 2015, the Company also reached a settlement agreement with ASES (the ASES Settlement Agreement) related to any and all privacy related incidents reported to ASES up to the date of execution of the ASES Settlement Agreement. As part of the ASES Settlement Agreement, the Company did not admit any liability and agreed to pay ASES $1.5 million in full accord and satisfaction and settlement of any and all reported incidents. The amount paid as part of this agreement is included as operating expenses in the accompanying consolidated statements of earnings for the year ended December 31, 2015.

15. Leases

Not Applicable.

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

The Company's business activity is with insureds located throughout Puerto Rico, and as such, the Company is subject to the risks associated with the Puerto Rico economy.

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

Not Applicable.

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

A. ASO Plans

Not Applicable.

B. ASC Plans

Not Applicable.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract

Revenue from the Company’s Medicare (or similarly structured cost based reimbursement contract) contract for the year 2015, consisted of $1,097,231,635. As of December 31, 2015, the Company has recorded receivables from CMS of $21,940,462 whose account balance is greater than 10% of the Company’s amounts receivable from uninsured accident and health plans or $10,000. In connection with the Company’s Medicare (or similarly structured cost based reimbursement contract) contract, the Company has not recorded allowances or reserves for adjustment of recorded revenues. The Company has made no adjustment to revenue resulting from audit of receivables related to revenues recorded in the prior period.

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

Not Applicable.

20. Fair Value Measurements

Fair Value Hierarchy

Included in various investment related disclosures in the statutory financial statements are certain financial instruments disclosed at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stock when carried at the lower of cost or market.

The Company uses observable inputs when available. Fair value is based upon quoted market prices when available. If market prices are not available, the Company employs internally developed models that primarily use market-based inputs including yield curves, interest rates, volatilities, and credit curves, among others. The Company limits valuation adjustments to those deemed necessary to ensure that the security or derivative's fair value adequately represents the price that would be received or paid in the marketplace. Valuation adjustments may include consideration of counterparty credit quality and liquidity as well as other criteria. The estimated fair value amounts are subjective in nature and may involve uncertainties and matters of significant judgment for certain financial instruments. Changes in the underlying assumptions used in estimating fair value could affect the results. The fair value measurement levels are not indicative of risk of investment.

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by ASC 820, Fair Value Measurements. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or a liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

- Level 1 inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 inputs other than quoted prices included in Level 1 that are observable for the asset or liability through corroboration with market data at the measurement date.
- Level 3 Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following table presents assets and liabilities that are measured at fair value on a recurring basis at December 31, 2015:

	2015			
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
US Government Bonds	41,418,295	41,558,350	....	82,976,645
State Territories and Possessions Bonds	....	82,974,497	....	82,974,497
Special Revenue and Assessment Bonds	....	. 2,325,781	....	. 2,325,781
Industrial & Miscellaneous Bonds	....	14,174,660	....	14,174,660
Total assets at fair value	41,418,295	141,033,288	 0	182,451,583

	2014			
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Government Sponsored	....	33,056,129	....	33,056,129
US Treasury and Obligations of US Governmental Instrumentalities	....	15,723,046	....	15,723,046
Municipal Securities	....	73,415,049	....	73,415,049
Total assets at fair value	....	122,194,224	....	122,194,224

21. Other Items

Not Applicable.

22. Events Subsequent

On January 1, 2016, the Company will be subject to an annual fee under section 9010 of the federal Affordable Care Act (ACA). This annual fee will be allocated to individual health insurers based on the ratio of the amount of the entity’s net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January1 of the year the fee is due. As of December 31, 2015, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2016, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2016 to be $18,104,322. This amount is reflected in special surplus. Risk based capital was not impacted by this assessment. Reporting the ACA assessment as of December 31, 2015, would not have triggered an RBC action level.

Information regarding the ACA assessment follows:

		Current Year	Prior Year
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		
ACA fee assessment payable for the upcoming year		$ .. 18,104,322	$ .. 19,768,052
ACA fee assessment paid		$ .. 18,788,469	$ 7,100,281
Premium written subject to ACA 9010 assessment		$ 1,097,231,635	$ 1,014,174,312
Total Adjusted Capital before surplus adjustment		$ .. 87,027,900	
Total Adjusted Capital after surplus adjustment		$ .. 68,923,578	
Authorized Control Level		$ 0	
Would reporting the ACA assessment as of Dec. 31, 2015 have triggered an RBC action level (YES/NO)?	NO		

The Company is not aware of any other events occurring subsequent to the close of the books for this statement which may have a material effect on its financial condition. Subsequent events have been considered through April 13, 2016.

23. Reinsurance

Section 1 – General Interrogatories

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

Yes ( ) No (X)

(2) Have any policies issued by the company been reinsured with the company chartered in a country other that 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 an insured or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurance may unilaterally cancel any reinsurance for reasons other than for nonpayment of premiums or other similar credit?

Yes ( ) No (X)

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

Yes ( ) No (X)

Section 3 – Ceded Reinsurance Report – Part B

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

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

Yes ( ) No (X)

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not Applicable.

25. Change in Incurred Claims and Claim Adjustment Expenses

The activity in medical claims liability during the years ended December 31, 2014 and 2013 were as follows:

	2015	2014
Claims liability at beginning of year	$ 107,545,503	$ 67,618,390
Incurred claims:		
Current period insured events	923,594,761	457,664,355
Prior period insured events	4,283,033	600,955
Total incurred	927,877,794	458,265,310
Payment for claims:		
Current period insured events	811,770,619	410,180,596
Prior period insured events	100,692,553	63,227,590
Total paid	912,463,172	473,408,186
Net medical claims liability before Novation	122,960,125	52,475,514
Claims liabilities transferred from TSS		55,069,989
	$ 122,960,125	$ 107,545,503

As a result of differences between actual amounts and estimates of insured events in prior years, the amounts included as incurred claims for prior periods insured events differ from anticipated claims incurred.

26. Intercompany Pooling Arrangements

Not Applicable.

27. Structured Settlements

Not Applicable.

28. Health Care Receivables

Pharmaceutical rebates arrangements are administered by the Company's Pharmacy Benefit Manager (PBM). The PBM contracts directly with the pharmaceutical companies the terms and conditions applicable for rebatable drugs. Billings of rebates is then performed by the PBM on a quarterly basis. Once collected from the pharmaceutical companies the PBM remits to the Company the Company's share of rebates received. An estimate of quarterly billable rebates is recorded as a reduction of claims expenses in the accompanying statement of earnings. Subsequent adjustments to such estimates are recorded in the period they become known by the Company.

The following table sets forth the estimated rebates recorded for each quarter, the actual rebates as confirmed by the PBM in their most recent Rebate Confirmation schedule and the allocation of such rebate amount to the respective aging collections category, based in the date they were originally billed.

Date	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
12/31/2015	.. 7,951,259	.. 7,951,259	....	....	....
09/30/2015	.. 7,057,475	.. 7,057,475	....	....	....
06/30/2015	.. 5,790,950	.. 5,790,950	....	....	....
03/31/2015	.. 5,781,672	.. 5,755,286	....	....	.. 4,447,250
12/31/2014	.. 4,767,263	.. 4,892,396	....	660,153	.. 4,237,474
09/30/2014	.. 4,399,185	.. 4,785,435	....	..1,760,605	.. 2,983,094
06/30/2014	.. 3,454,043	.. 4,718,093	....	161,163	.. 4,519,017
03/31/2014	.. 3,844,561	.. 3,950,875	....	..1,641,230	.. 2,265,160
12/31/2013	.. 1,244,682	.. 1,378,908	....	243,821	.. 1,106,019
09/30/2013	.. 1,126,531	.. 1,128,740	....	706,940	 419,591
06/30/2013	.. 1,086,154	.. 1,023,929	....	929,427	 109,651
03/31/2013	 875,961	 971,527	....	862,238	 113,143

29. Participating Policies

Not Applicable.

30. Premium Deficiency Reserves

Not Applicable.

31. Anticipated Salvage and Subrogation

Not Applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State Regulating?

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2008

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 12/31/2008

3.4 By what department or departments?

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [X] No [ ] N/A [ ]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [ ] N/A [ ]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

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

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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

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

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

8.4 If response to 8.3 is yes, please provide 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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Delloite & Touche, LLP
218 Cesar Gonzalez St.
San Juan, PR 00918

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

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

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

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

12.2 If, yes provide explanation:

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

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

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

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

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

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

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

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

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

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

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

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

GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal Only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal Only) $

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 6,109,539

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No [ ]

24.02 If no, give full and complete information relating thereto

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [X]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $ 0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $ 0
24.103 Total payable for securities lending reported on the liability page. $ 0

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

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

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Placed under option agreements $
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $
25.27 FHLB Capital Stock $
25.28 On deposit with states $
25.29 On deposit with other regulatory bodies $ 600,000
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $
25.32 Other $

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Bank of New York	One Mellon Center Room 151-1035 Pittsburg, PA 15258-0001

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]
28.04 If yes, give full and complete information relating thereto:

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

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

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

GENERAL INTERROGATORIES

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

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	185,591,605	186,451,583	859,978
30.2 Preferred stocks	0		0
30.3 Totals	185,591,605	186,451,583	859,978

30.4 Describe the sources or methods utilized in determining the fair values:
NAIC Valluation Office

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [ ] No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No [ ]

32.2 If no, list exceptions:

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $

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

1 Name	2 Amount Paid

34.1 Amount of payments for legal expenses, if any? $

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $

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

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only. $

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $

1.31 Reason for excluding

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above $

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. $ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator		539,750,312
2.2	Premium Denominator	1,097,231,635	539,750,312
2.3	Premium Ratio (2.1/2.2)	0.000	1.000
2.4	Reserve Numerator		132,579,366
2.5	Reserve Denominator	137,995,496	137,212,525
2.6	Reserve Ratio (2.4/2.5)	0.000	0.966

3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes [ ] No [X]

3.2 If yes, give particulars:

4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes [X] No [ ]

4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes [ ] No [X]

5.1 Does the reporting entity have stop-loss reinsurance? Yes [X] No [ ]

5.2 If no, explain:

5.3 Maximum retained risk (see instructions)

5.31 Comprehensive Medical $

5.32 Medical Only $

5.33 Medicare Supplement $

5.34 Dental & Vision $

5.35 Other Limited Benefit Plan $

5.36 Other $

6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes [X] No [ ]

7.2 If no, give details

8. Provide the following information regarding participating providers:

8.1 Number of providers at start of reporting year 6,253

8.2 Number of providers at end of reporting year

9.1 Does the reporting entity have business subject to premium rate guarantees? Yes [ ] No [X]

9.2 If yes, direct premium earned:

9.21 Business with rate guarantees between 15-36 months $

9.22 Business with rate guarantees over 36 months $

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No [ ]

10.2 If yes:

10.21 Maximum amount payable bonuses $

10.22 Amount actually paid for year bonuses $

10.23 Maximum amount payable withholds $

10.24 Amount actually paid for year withholds $

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [ ] No [ ]

11.13 An Individual Practice Association (IPA), or, Yes [ ] No [ ]

11.14 A Mixed Model (combination of above)? Yes [ ] No [ ]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [ ] No [ ]

11.3 If yes, show the name of the state requiring such minimum capital and surplus.

11.4 If yes, show the amount required. $

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [ ] No [ ]

11.6 If the amount is calculated, show the calculation

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

1 Name of Service Area

13.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

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

13.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

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

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [ ] No [ ] N/A [ ]

14.2 If the answer to 14.1 is yes, please provide the following:

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

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

15.1 Direct Premium Written $

15.2 Total Incurred Claims $

15.3 Number of Covered Lives

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

FIVE-YEAR HISTORICAL DATA

		1 2015	2 2014	3 2013	4 2012	5 2011
	Balance Sheet (Pages 2 and 3)					
1.	Total admitted assets (Page 2, Line 28)	286,801,325	227,661,059	152,200,304	121,287,088	103,078,772
2.	Total liabilities (Page 3, Line 24)	199,773,424	182,215,973	99,412,743	90,550,124	85,309,842
3.	Statutory minimum capital and surplus requirement			600,000	600,000	600,000
4.	Total capital and surplus (Page 3, Line 33)	87,027,901	45,445,086	52,787,561	30,736,964	17,768,930
	Income Statement (Page 4)					
5.	Total revenues (Line 8)	1,097,289,945	539,772,911	519,925,902	539,325,075	473,750,444
6.	Total medical and hospital expenses (Line 18)	927,933,537	458,018,077	429,035,039	488,291,114	413,036,129
7.	Claims adjustment expenses (Line 20)	8,938,313	4,019,595	5,381,558	4,316,464	4,270,155
8.	Total administrative expenses (Line 21)	147,531,931	72,212,367	58,935,430	59,998,968	57,382,441
9.	Net underwriting gain (loss) (Line 24)	12,886,164	5,522,872	26,573,875	(13,281,471)	(938,281)
10.	Net investment gain (loss) (Line 27)	2,936,683	3,086,403	2,848,846	2,302,259	2,314,962
11.	Total other income (Lines 28 plus 29)	0	0	0	0	0
12.	Net income or (loss) (Line 32)	12,305,126	6,699,888	22,311,583	(11,807,558)	1,499,576
	Cash Flow (Page 6)					
13.	Net cash from operations (Line 11)	19,665,902	4,751,857	33,449,219	(7,877,637)	(5,801,223)
	Risk-Based Capital Analysis					
14.	Total adjusted capital	87,027,901	45,445,086	55,192,131	30,736,964	17,768,930
15.	Authorized control level risk-based capital	43,074,093	17,436,939	19,051,703	18,822,852	15,968,973
	Enrollment (Exhibit 1)					
16.	Total members at end of period (Column 5, Line 7)	123,888	50,771	43,346	50,883	47,522
17.	Total members months (Column 6, Line 7)	1,447,420	612,537	532,642	610,095	516,102
	Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18.	Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19.	Total hospital and medical plus other non-health (Lines 18 plus Line 19)	84.6	84.9	82.5	90.5	87.2
20.	Cost containment expenses	0.8	0.7	1.0	0.8	0.9
21.	Other claims adjustment expenses	0.0	0.0	0.1	0.0	0.0
22.	Total underwriting deductions (Line 23)	98.8	99.0	94.9	102.5	100.2
23.	Total underwriting gain (loss) (Line 24)	1.2	1.0	5.1	(2.5)	(0.2)
	Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24.	Total claims incurred for prior years (Line 13, Col. 5)	120,685,954	62,054,094	54,275,782	54,526,910	40,998,453
25.	Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	117,178,284	62,826,028	53,865,357	50,940,892	43,415,460
	Investments In Parent, Subsidiaries and Affiliates					
26.	Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0		0	0
27.	Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28.	Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29.	Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)		0	0		
30.	Affiliated mortgage loans on real estate					
31.	All other affiliated					
32.	Total of above Lines 26 to 31	0	0	0	0	0
33.	Total investment in parent included in Lines 26 to 31 above.					

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

If no, please explain:

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
States, etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Plan Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N							0	
2. Alaska	AK	N							0	
3. Arizona	AZ	N							0	
4. Arkansas	AR	N							0	
5. California	CA	N							0	
6. Colorado	CO	N							0	
7. Connecticut	CT	N							0	
8. Delaware	DE	N							0	
9. District of Columbia	DC	N							0	
10. Florida	FL	N							0	
11. Georgia	GA	N							0	
12. Hawaii	HI	N							0	
13. Idaho	ID	N							0	
14. Illinois	IL	N							0	
15. Indiana	IN	N							0	
16. Iowa	IA	N							0	
17. Kansas	KS	N							0	
18. Kentucky	KY	N							0	
19. Louisiana	LA	N							0	
20. Maine	ME	N							0	
21. Maryland	MD	N							0	
22. Massachusetts	MA	N							0	
23. Michigan	MI	N							0	
24. Minnesota	MN	N							0	
25. Mississippi	MS	N							0	
26. Missouri	MO	N							0	
27. Montana	MT	N							0	
28. Nebraska	NE	N							0	
29. Nevada	NV	N							0	
30. New Hampshire	NH	N							0	
31. New Jersey	NJ	N							0	
32. New Mexico	NM	N							0	
33. New York	NY	N							0	
34. North Carolina	NC	N							0	
35. North Dakota	ND	N							0	
36. Ohio	OH	N							0	
37. Oklahoma	OK	N							0	
38. Oregon	OR	N							0	
39. Pennsylvania	PA	N							0	
40. Rhode Island	RI	N							0	
41. South Carolina	SC	N							0	
42. South Dakota	SD	N							0	
43. Tennessee	TN	N							0	
44. Texas	TX	N							0	
45. Utah	UT	N							0	
46. Vermont	VT	N							0	
47. Virginia	VA	N							0	
48. Washington	WA	N							0	
49. West Virginia	WV	N							0	
50. Wisconsin	WI	N							0	
51. Wyoming	WY	N							0	
52. American Samoa	AS	N							0	
53. Guam	GU	N							0	
54. Puerto Rico	PR	L		1,098,331,635					1,098,331,635	
55. U.S. Virgin Islands	VI	N							0	
56. Northern Mariana Islands	MP	N							0	
57. Canada	CAN	N							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal		XXX	0	1,098,331,635	0	0	0	0	1,098,331,635	0
60. Reporting entity contributions for Employee Benefit Plans		XXX							0	
61. Total (Direct Business)		(a) 1	0	1,098,331,635	0	0	0	0	1,098,331,635	0
DETAILS OF WRITE-INS										
58001.		XXX								
58002.		XXX								
58003.		XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX	0	0	0	0	0	0	0	0

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

Explanation of basis of allocation by states, premiums by state, etc.

Business in Puerto Rico only.

(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

Triple-S Management Corporation
---A publicly-traded company--- Holding company of TSS
EIN – 66-0555678
NAIC GROUP CODE - 4802

Triple-S Propiedad, Inc. (“TSP”)[1]
A property and casualty insurance company
EIN – 66-0437064
NAIC CODE - 40568
DOMICILED - PR

- **Triple-S Insurance Agency, Inc.**
  Wholly-owned subsidiary of TSP
  EIN - 66-0286587
  NAIC CODE – N/A
  DOMICILED - PR

Clínica Las Américas Guaynabo
Subsidiary of TSM
(90.8% ownership)
EIN – 66-0559600
NAIC CODE – N/A
DOMICILED - PR

Triple-S Salud, Inc. (“TSS”)[1]
Holding company of SMSH
EIN – 66-0555677
NAIC CODE – 55816
DOMICILED - PR

- **Socios Mayores en Salud Holdings, Inc. (“SMSH”)***
  Wholly-owned subsidiary of TSS
  EIN - 26-0133931
  NAIC CODE – N/A
  DOMICILED - PR
  - **Triple-S Advantage Solutions, Inc. (“TSAS”)**
    Wholly-owned subsidiary of SMSI
    EIN - 66-0650587
    NAIC CODE – N/A
    - **Triple-S Advantage, Inc. (TSA)**
      Provider of MA services
      Wholly-owned subsidiary of TSA
      EIN – 66-0593034
      NAIC CODE - 11152

Triple-S Vida, Inc. (“TSV”)[1]
A life insurance company
EIN – 66-0258488
NAIC CODE – 73814
DOMICILED - PR

- **PR Life Services, Corp.**
  Wholly-owned subsidiary of TSV
  EIN – 66-0526558
  NAIC CODE – N/A
  DOMICILED - PR
- **Triple-S Blue, Inc.**
  Wholly-owned subsidiary of TSV
  EIN – 66-0175224
  NAIC CODE – 61158
  DOMICILED - PR

Interactive Systems, Inc.
A technology service company
EIN – 66-0482092
NAIC CODE – N/A
DOMICILED - PR

TSM International, LLC.
An international banking entity
EIN – 66-0749178
NAIC CODE – N/A
DOMICILED - PR

Fundación para el Desarrollo Profesional e Investigaciones en Puerto Rico, Inc.
A non-profit organization
NAIC CODE – N/A
DOMICILED - PR

Triple-C, Inc.
Currently inactive
EIN – 66-0508158
NAIC CODE – N/A
DOMICILED - PR

NeoDeck Holding Corp. (“NDHC”)
Not a subsidiary
TSM owns 49% ownership
EIN – 66-0749383
NAIC CODE – N/A
DOMICILED - RI

Notes:

*All companies are Puerto Rico companies, except for Socios Mayores en Salud Holdings, Inc., which is a Delaware company.

1The Code of Insurance of Puerto Rico requires that directors of insurance companies be shareholders. Each director of TSP, TSV and TSS, respectively, acquires one (1) share of stock of the insurer during his or her tenure (each, a “Qualifying Share”). Qualifying Shares is returned by the director at the end of his or her tenure.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Year			Prior Year
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
2504.	Intangible Assets-APL	306,400	306,400	0	0
2597.	Summary of remaining write-ins for Line 25 from overflow page	306,400	306,400	0	0

Additional Write-ins for Statement of Revenue and Expenses Line 47

		1 Current Year	2 Prior Year
4704.	Valuation Allowance Elimination		7,449,444
4705.	Deferred Tax Assets Non Admitted		7,869,322
4706.	Income Tax Benefit PL Elimination	464,627	374,275
4707.	Reversal of Allowances		(7,229,824)
4708.	DTA Elimination		(1,272,413)
4709.	Interest Adjustment		13,200
4710.	Statutory Income	(2,574,278)	
4711.	Bad Debt Elimination	(2,256,714)	
4712.	Net Admitted DTA	4,157,456	
4797.	Summary of remaining write-ins for Line 47 from overflow page	(208,909)	7,204,004

ALPHABETICAL INDEX

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ANNUAL STATEMENT BLANK (Continued)