

**Evergreen Health Inc. in Liquidation**  
**Statement of Assets, Liabilities, and Capital and Surplus**  
**September 30, 2018**  
**(Unaudited)**

	<b>September 01, 2017</b>	<b>September 30, 2018</b>
	<b>Estimated Realizable</b>	<b>Estimated Realizable</b>
	<b>Value</b>	<b>Value</b>
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<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 10,121,774	\$ 7,176,890
Investments	12,728,371	6,381,315
Risk Corridor Receivable	2,421,113	2,384,976
Risk Corridor Receivable Valuation Adjustment	(2,421,113)	(2,384,976)
Amounts Recoverable from Reinsurer	1,468,061	110,562
Amounts due from Federal and State Programs	2,621,380	11,671
Premiums in Course of Collection	2,080,289	303,720
Rebates Receivable	1,601,406	1,726,526
Provider and Other Claims Recoverable	1,093,868	752,673
Fixed Assets	64,000	31,220
Prepaid Expenses	281,262	60,416
Investment Income due and accrued	57,525	39,729
Other Assets	17,221	41,121
<b>Total Assets</b>	<b>\$ 32,135,157</b>	<b>\$ 16,635,843</b>
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<b>LIABILITIES</b>		
Claims unpaid	\$ 33,974,661	\$ 39,360,909
Unpaid claims adjustment expenses	200,000	24,000
Premium Deficiency	1,033,000	-
Aggregate health policy reserves	25,536,535	33,404,040
Premiums received in advance	640,668	-
General expenses due and accrued	4,253,848	4,427,454
Ceded reinsurance premiums payable	125,355	-
Amount due to parent, subsidiaries, and affiliates	312,906	312,906
Other liabilities	655,803	396,065
<b>Total Liabilities</b>	<b>\$ 66,732,776</b>	<b>\$ 77,925,374</b>
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<b>Capital and Surplus</b>		
Surplus Notes	\$ 12,000,000	\$ 12,000,000
Accumulated Deficit	(46,597,619)	<b>(73,289,531)</b>
<b>Total Capital &amp; Surplus</b>	<b>\$ (34,597,619)</b>	<b>\$ (61,289,531)</b>
<b>Total Liabilities, Capital and Surplus</b>	<b>\$ 32,135,157</b>	<b>\$ 16,635,843</b>
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**Notes:**

(1) See Notes to Financial Statements as of September 30, 2018

**Evergreen Health Inc. in Liquidation**  
**Statement of Revenue and Expenses**  
**For The Period September 1, 2017 ("Liquidation date") through September 30, 2018**  
**(Unaudited)**

	<b>Date of Liquidation through September 30, 2018</b>
<b>Revenues</b>	
Change in Net Premium Income Earned	\$ (5,597,772)
Returned Premiums	(103,532)
<b>Total Revenues</b>	(5,701,304)
Medical and Pharmacy Benefits	
Direct Hospital & Medical Benefits	12,983,295
Direct Prescriptions Drugs	1,114,632
Change in Reinsurance Recoverables	1,306,687
<b>Total Medical and Pharmacy Benefits Expenses</b>	15,404,614
Claim Adjustment Expenses	2,305,684
General Administrative Expenses	
Estate Administration	1,620,648
Employee and Personnel	1,906,128
Facility and Operations	1,158,751
<b>Total General and Administrative Expenses</b>	4,685,527
Decrease in Premium Deficiency Reserves	(1,033,000)
<b>Net Underwriting Gain/(Loss)</b>	(27,064,128)
Investment Income	135,309
Realized Gains/(Losses)	(10,866)
Total Investment Income	124,443
<b>Net Operating Gain/(Loss)</b>	\$ (26,939,685)

**Notes:**

(1) See Notes to Financial Statements as of September 30, 2018

## **Evergreen Health Inc. in Liquidation**

### **Notes to the Financial Statements as of September 30, 2018**

1. Evergreen Health, Inc. (“Evergreen”) was ordered into Rehabilitation on July 31, 2017 and Liquidation on September 30, 2017. As a result of the Liquidation all policies were terminated as of September 30, 2017.
2. Evergreen is currently evaluating legal actions and remedies. No amounts are currently recorded in the financial statements for litigation expenses.
3. The financial statements are prepared by the Receiver from information available to, known, or estimated by the Receiver as of the date of the financial statements. The financial statements are unaudited. Amounts reported in the financial statements do not include all possible recoveries that may result from various legal and/or collection efforts. Inclusion of an item as a liability is not admission by the Receiver that such amount is owed. The estimates reflected will continue to be updated as the Receiver gathers additional information.
4. Evergreen's financial statements as of September 30, 2018 have been prepared utilizing a liquidation basis of accounting.
5. Evergreen has made adjustments to the pre-receivership liabilities as of September 30, 2018 based on proof of claim forms (POC's) filed by July 31, 2018, the claim filing deadline. POC's are being reviewed by the Receiver as of the date of these financial statements.