

UNIVERSAL AMERICAN CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In thousands)

	December 31, 2016	December 31, 2015
ASSETS		
Investments:		
Fixed maturities available for sale, at fair value (amortized cost: 2016, \$246,087; 2015, \$279,277)	\$ 245,191	\$ 281,776
Other invested assets	6,303	9,734
Total investments	251,494	291,510
Cash and cash equivalents	104,462	70,546
Accrued investment income	1,817	2,307
Reinsurance recoverables	1,092	406
Due and unpaid premiums	39,894	25,518
Goodwill and intangible assets	70,840	71,423
Deferred income tax asset	28,596	48,704
Income taxes receivable	12,845	5,885
Other healthcare receivables	19,819	34,127
Other assets	24,910	29,866
Assets of discontinued operations	229,814	1,150,570
Total assets	\$ 785,583	\$ 1,730,862
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Policy and contract claims	\$ 82,898	\$ 86,976
Premiums received in advance	599	953
Convertible Senior Notes due 2021, net of fees	92,897	-
Series A mandatorily redeemable preferred shares, net of fees	39,939	39,755
Net amounts payable to discontinued operations	-	44,289
Accounts payable and other liabilities	62,075	60,455
Liabilities of discontinued operations	237,762	1,116,039
Total liabilities	516,170	1,348,467
STOCKHOLDERS' EQUITY		
Preferred stock (Authorized: 40 million shares)	-	-
Common stock - voting (Authorized: 400 million shares; issued and outstanding: 2016, 58.9 million shares; 2015, 81.3 million shares)	589	813
Common stock - non-voting (Authorized: 60 million shares; issued and outstanding: 2015, 3.3 million shares)	-	33
Additional paid-in capital	443,838	608,804
Accumulated other comprehensive income	(387)	2,748
Retained deficit	(174,627)	(230,003)
Total stockholders' equity	269,413	382,395
Total liabilities and stockholders' equity	\$ 785,583	\$ 1,730,862

UNIVERSAL AMERICAN CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, per share amounts in dollars)

	Twelve months ended December 31,		Change	
	2016	2015	\$	%
Revenues:				
Net premiums	\$ 1,366,716	\$ 1,245,971	\$ 120,745	9.7%
Net investment income	8,594	11,957	(3,363)	-28.1%
Fee and other income	2,907	4,524	(1,617)	-35.7%
Net realized gains	1,429	38,954	(37,525)	-96.3%
Total revenues	<u>1,379,646</u>	<u>1,301,406</u>	<u>78,240</u>	6.0%
Benefits, claims and expenses:				
Claims and other benefits	1,153,827	1,074,474	(79,353)	-7.4%
Amortization of intangible assets	933	2,110	1,177	55.8%
Commissions	20,132	18,529	(1,603)	-8.7%
Interest expense	7,872	4,743	(3,129)	-66.0%
Affordable Care Act fee	21,731	25,489	3,758	14.7%
Other operating costs and expenses	177,095	166,346	(10,749)	-6.5%
Total benefits, claims and expenses	<u>1,381,590</u>	<u>1,291,691</u>	<u>(89,899)</u>	-7.0%
(Loss) income before equity in earnings (losses) of unconsolidated subsidiaries	(1,944)	9,715	(11,659)	-120.0%
Equity in earnings (losses) of unconsolidated subsidiaries	<u>4,998</u>	<u>(9,626)</u>	<u>14,624</u>	-151.9%
Income from continuing operations before income taxes	3,054	89	2,965	3331.5%
Provision for income taxes	9,344	3,785	5,559	146.9%
Loss from continuing operations	<u>(6,290)</u>	<u>(3,696)</u>	<u>(2,594)</u>	70.2%
Discontinued operations:				
Income (loss) from discontinued operations before income taxes	67,663	(188,371)	256,034	-135.9%
Provision for (benefit from) income taxes	5,997	(28,098)	34,095	-121.3%
Income (loss) from discontinued operations	<u>61,666</u>	<u>(160,273)</u>	<u>221,939</u>	-138.5%
Net income (loss)	<u>\$ 55,376</u>	<u>\$ (163,969)</u>	<u>\$ 219,345</u>	-133.8%
Income (loss) per common share:				
Basic:				
Continuing operations	\$ (0.09)	\$ (0.04)	\$ (0.05)	125.0%
Discontinued operations	0.87	(1.95)	2.82	-144.6%
Net Income (loss)	<u>\$ 0.78</u>	<u>\$ (1.99)</u>	<u>\$ 2.77</u>	-139.2%
Diluted:				
Continuing operations	\$ (0.09)	\$ (0.04)	\$ (0.05)	125.0%
Discontinued operations	0.87	(1.95)	2.82	-144.6%
Net Income (loss)	<u>\$ 0.78</u>	<u>\$ (1.99)</u>	<u>\$ 2.77</u>	-139.2%
Basic and diluted weighted average shares outstanding	<u>70,671</u>	<u>82,402</u>	<u>(11,731)</u>	-14.2%

UNIVERSAL AMERICAN CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

(In thousands, per share amounts in dollars)

	Three months ended December 31,		Change	
	2016	2015	\$	%
Revenues:				
Net premiums	\$ 337,558	\$ 321,730	\$ 15,828	4.9%
Net investment income	2,305	2,204	101	4.6%
Fee and other income	975	319	656	205.6%
Net realized gains	44	5,329	(5,285)	-99.2%
Total revenues	<u>340,882</u>	<u>329,582</u>	<u>11,300</u>	<u>3.4%</u>
Benefits, claims and expenses:				
Claims and other benefits	285,679	272,626	(13,053)	-4.8%
Amortization of intangible assets	237	528	291	55.1%
Commissions	5,539	5,397	(142)	-2.6%
Interest expense	3,047	894	(2,153)	-240.8%
Affordable Care Act fee	5,438	6,372	934	14.7%
Other operating costs and expenses	55,009	48,690	(6,319)	-13.0%
Total benefits, claims and expenses	<u>354,949</u>	<u>334,507</u>	<u>(20,442)</u>	<u>-6.1%</u>
Loss before equity in losses of unconsolidated subsidiaries	(14,067)	(4,925)	(9,142)	185.6%
Equity in losses of unconsolidated subsidiaries	(9,506)	(8,492)	(1,014)	11.9%
Loss from continuing operations before income taxes	(23,573)	(13,417)	(10,156)	75.7%
Benefit from income taxes	(6,129)	(3,833)	(2,296)	59.9%
Loss from continuing operations	(17,444)	(9,584)	(7,860)	82.0%
Discontinued operations:				
Loss from discontinued operations before income taxes	(361)	(173,275)	172,914	-99.8%
Provision for (benefit from) income taxes	699	(21,303)	22,002	-103.3%
Loss from discontinued operations	(1,060)	(151,972)	150,912	-99.3%
Net loss	<u>\$ (18,504)</u>	<u>\$ (161,556)</u>	<u>\$ 143,052</u>	<u>-88.5%</u>
Loss per common share:				
Basic:				
Continuing operations	\$ (0.31)	\$ (0.12)	\$ (0.19)	NM
Discontinued operations	(0.02)	(1.84)	1.82	-98.9%
Net loss	<u>\$ (0.33)</u>	<u>\$ (1.96)</u>	<u>\$ 1.63</u>	<u>-83.2%</u>
Diluted:				
Continuing operations	\$ (0.31)	\$ (0.12)	\$ (0.19)	NM
Discontinued operations	(0.02)	(1.84)	1.82	-98.9%
Net loss	<u>\$ (0.33)</u>	<u>\$ (1.96)</u>	<u>\$ 1.63</u>	<u>-83.2%</u>
Basic and diluted weighted average shares outstanding	<u>56,564</u>	<u>82,573</u>	<u>(26,009)</u>	<u>-31.5%</u>

NM - Not Meaningful

Universal American Corp
MD&A - Segment Trends
December 31, 2016

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	Total 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Total 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Continuing Operations:										
Medicare Advantage	\$ 48,443	\$ 779	\$ 7,625	\$ 17,850	\$ 22,188	\$ 21,480	\$ 2,852	\$ (72)	\$ 9,165	\$ 9,534
MSOs	(9,487)	(13,559)	(8,594)	21,123	(8,456)	(20,057)	(10,648)	(9,320)	11,621	(11,710)
Corporate & Other	(37,331)	(10,837)	(8,149)	(9,495)	(8,851)	(40,288)	(10,950)	(7,363)	(11,388)	(10,588)
Realized gains (losses)	<u>1,429</u>	<u>44</u>	<u>(143)</u>	<u>1,144</u>	<u>384</u>	<u>38,954</u>	<u>5,329</u>	<u>29,751</u>	<u>3,376</u>	<u>498</u>
Income (loss) from continuing operations before income taxes	3,054	(23,572)	(9,262)	30,622	5,266	89	(13,416)	12,996	12,774	(12,265)
Provision for (benefit from) income taxes	<u>9,345</u>	<u>(6,128)</u>	<u>(505)</u>	<u>12,241</u>	<u>3,737</u>	<u>3,785</u>	<u>(3,833)</u>	<u>13,046</u>	<u>6,887</u>	<u>(12,314)</u>
Income (loss) from continuing operations	<u>\$ (6,290)</u>	<u>\$ (17,444)</u>	<u>\$ (8,757)</u>	<u>\$ 18,382</u>	<u>\$ 1,529</u>	<u>\$ (3,695)</u>	<u>\$ (9,583)</u>	<u>\$ (49)</u>	<u>\$ 5,888</u>	<u>\$ 49</u>
Discontinued Operations:										
Income (loss) from discontinued operations before income taxes	\$ 67,663	\$ (361)	\$ 56,958	\$ 11,713	\$ (648)	\$ (188,371)	\$ (173,275)	\$ 3,515	\$ (23,953)	\$ 5,342
Provision for (benefit from) income taxes	<u>5,996</u>	<u>699</u>	<u>(2,680)</u>	<u>7,289</u>	<u>688</u>	<u>(28,098)</u>	<u>(21,302)</u>	<u>657</u>	<u>(10,688)</u>	<u>3,236</u>
Income (loss) from discontinued operations	<u>61,667</u>	<u>(1,059)</u>	<u>59,638</u>	<u>4,424</u>	<u>(1,336)</u>	<u>(160,273)</u>	<u>(151,972)</u>	<u>2,858</u>	<u>(13,265)</u>	<u>2,106</u>
Net income (loss)	<u>55,376</u>	<u>(18,503)</u>	<u>50,881</u>	<u>22,805</u>	<u>193</u>	<u>(163,969)</u>	<u>(161,555)</u>	<u>2,809</u>	<u>(7,378)</u>	<u>2,155</u>
Per Share Data (Diluted)										
(Loss) income from continuing operations	\$ (0.09)	\$ (0.31)	\$ (0.14)	\$ 0.22	\$ 0.02	\$ (0.04)	\$ (0.12)	\$ (0.00)	\$ 0.07	\$ 0.00
Income (loss) from discontinued operations	<u>0.87</u>	<u>(0.02)</u>	<u>0.97</u>	<u>0.05</u>	<u>(0.02)</u>	<u>(1.95)</u>	<u>(1.84)</u>	<u>0.03</u>	<u>(0.16)</u>	<u>0.03</u>
Net income (loss)	<u>\$ 0.78</u>	<u>\$ (0.33)</u>	<u>\$ 0.83</u>	<u>\$ 0.27</u>	<u>\$ 0.00</u>	<u>\$ (1.99)</u>	<u>\$ (1.96)</u>	<u>\$ 0.03</u>	<u>\$ (0.09)</u>	<u>\$ 0.03</u>
Weighted Average shares O/S - Diluted	70,670,510	56,563,535	61,329,485	83,045,213	83,438,278	82,402,056	82,573,098	82,516,201	83,800,456	82,019,403
Effective Tax Rate for continuing operations	305.9%	26.0%	5.5%	40.0%	71.0%	4239.1%	28.6%	100.4%	53.9%	100.4%
Effective Tax Rate for discontinued operations	8.9%	-193.6%	-4.7%	62.2%	-106.1%	14.9%	12.3%	18.7%	44.6%	60.6%
Overall Effective Tax Rate	21.7%	22.7%	-6.7%	46.1%	95.8%	12.9%	13.5%	83.0%	34.0%	131.1%

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands
Consolidated Segments

	Total	Q4	Q3	Q2	Q1	Total	Q4	Q3	Q2	Q1
	2016	2016	2016	2016	2016	2015	2015	2015	2015	2015
Continuing Operations:										
Gross premiums and policyholder fees	\$ 1,367,833	\$ 337,640	\$ 341,161	\$ 342,468	\$ 346,565	\$ 1,247,900	\$ 322,211	\$ 304,663	\$ 315,299	\$ 305,727
Assumed premiums and policyholder fees	28	17	11	-	-	-	-	-	-	-
Ceded premiums and policyholder fees	(1,146)	(99)	(529)	(84)	(434)	(1,929)	(481)	(485)	(482)	(481)
Net premiums	1,366,716	337,558	340,644	342,383	346,131	1,245,971	321,730	304,178	314,817	305,246
Net investment income	8,594	2,304	1,926	2,100	2,263	11,957	2,204	4,112	2,612	3,029
Fee and other income	2,908	976	963	455	514	4,523	319	1,749	2,140	315
Total revenue	1,378,217	340,838	343,532	344,938	348,908	1,262,452	324,253	310,039	319,569	308,590
Claims and other benefits	84.4% 1,153,827	84.6% 285,679	85.4% 290,982	84.3% 288,472	83.4% 288,694	86.2% 1,074,474	84.7% 272,626	88.0% 267,652	86.1% 271,122	86.2% 263,074
Amortization of intangible assets	0.1% 933	0.1% 237	0.1% 237	0.1% 231	0.1% 228	0.2% 2,110	0.2% 528	0.2% 537	0.2% 537	0.2% 509
Interest expense	0.6% 7,872	0.9% 3,047	0.9% 3,047	0.3% 929	0.2% 850	0.4% 4,743	0.3% 894	0.4% 1,142	0.4% 1,145	0.5% 1,562
Asset impairment charge	0.0% -	-	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -
ACA fee	1.6% 21,731	1.6% 5,438	1.6% 5,513	1.6% 5,423	1.5% 5,357	2.0% 25,489	2.0% 6,372	2.1% 6,419	2.0% 6,430	2.1% 6,268
Commissions	1.5% 20,132	0.4% 5,539	0.4% 5,265	0.4% 4,861	0.3% 4,467	1.4% 18,529	0.4% 5,397	0.4% 4,826	0.3% 4,624	0.3% 3,681
Reinsurance commissions and expense allowances	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -	-0.1% (1,273)	0.0% (438)	-0.1% (837)	0.0% 1	0.0% 1
Other operating costs and expenses	13.0% 177,095	4.0% 55,009	3.1% 42,437	3.0% 40,467	2.9% 39,182	12.3% 167,618	3.6% 49,127	2.9% 39,609	2.9% 40,058	2.8% 38,824
Commissions and general expenses, net of allowances	14.4% 197,227	17.9% 60,548	14.0% 47,702	13.2% 45,327	12.6% 43,649	14.8% 184,874	16.8% 54,087	14.3% 43,598	14.2% 44,683	13.9% 42,505
Total benefits, claims and expenses	1,381,589	354,949	347,480	340,383	338,778	1,291,690	334,507	319,348	323,918	313,918
Equity in losses of unconsolidated subsidiaries	4,998	(9,506)	(5,170)	24,923	(5,249)	(9,626)	(8,492)	(7,446)	13,747	(7,435)
Segment income (loss)	1,626	(23,617)	(9,118)	29,479	4,881	(38,865)	(18,745)	(16,755)	9,398	(12,763)
Realized gains (losses)	1,429	44	(143)	1,144	384	38,954	5,329	29,751	3,376	498
Pre-tax income (loss) from continuing operations	\$ 3,054	\$ (23,572)	\$ (9,262)	\$ 30,622	\$ 5,266	\$ 89	\$ (13,416)	\$ 12,996	\$ 12,774	\$ (12,265)

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	Total 2016	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Total 2015	Q4 2015	Q3 2015	Q2 2015	Q1 2015										
Medicare Advantage																				
Gross premiums and policyholder fees	\$ 1,367,833	\$ 337,640	\$ 341,161	\$ 342,468	\$ 342,468	\$ 1,247,584	\$ 322,211	\$ 304,796	\$ 304,796	\$ 305,727										
Assumed premiums and policyholder fees	28	17	11	-	-	-	-	-	-	-										
Ceded premiums and policyholder fees	(1,146)	(99)	(529)	(84)	(434)	(1,929)	(481)	(485)	(482)	(481)										
Net premiums	1,366,716	337,558	340,644	342,383	342,034	1,245,655	321,730	304,311	304,314	305,246										
Net investment income	8,547	2,206	1,919	2,130	2,294	9,435	2,221	2,256	2,419	2,539										
Fee and other income	1,146	157	326	216	448	944	177	240	218	309										
Total revenue	1,376,409	339,920	342,888	344,728	344,776	1,256,035	324,129	306,808	306,951	308,094										
Quality initiatives	1.8%	24,179	2.1%	6,930	1.8%	6,011	1.6%	5,611	1.6%	5,628	2.0%	25,341	2.0%	6,564	1.9%	5,791	2.3%	6,935	2.0%	6,052
Medical benefits	82.7%	1,129,649	82.6%	278,749	83.7%	284,971	82.6%	282,863	82.8%	283,066	84.2%	1,049,318	82.7%	266,114	86.1%	261,861	86.9%	264,323	84.2%	257,020
Claims and other benefits	84.4%	1,153,829	84.6%	285,679	85.4%	290,982	84.3%	288,474	84.4%	288,694	86.3%	1,074,658	84.8%	272,677	88.0%	267,652	89.1%	271,257	86.2%	263,072
Amortization of intangible assets	0.1%	933	0.1%	237	0.1%	237	0.1%	231	0.1%	228	0.2%	2,110	0.2%	528	0.2%	537	0.2%	537	0.2%	509
Asset impairment charge	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-
ACA fee	1.6%	21,725	1.6%	5,432	1.6%	5,516	1.6%	5,421	1.6%	5,357	2.0%	25,464	2.0%	6,366	2.1%	6,412	2.1%	6,424	2.1%	6,262
Commissions	1.5%	20,246	1.6%	5,511	1.6%	5,388	1.4%	4,873	1.3%	4,475	1.5%	18,659	1.7%	5,433	1.6%	4,861	1.5%	4,499	1.3%	3,867
Reinsurance commissions and expense allowances	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	-0.1%	(1,273)	-0.1%	(438)	-0.3%	(837)	0.0%	1	0.0%	1
Other operating costs and expenses	9.6%	131,234	12.5%	42,282	9.7%	33,140	8.1%	27,879	8.2%	27,931	9.2%	114,937	11.4%	36,710	9.3%	28,254	8.3%	25,123	8.1%	24,850
Commissions and general expenses, net of allowances	11.1%	151,480	14.2%	47,793	11.3%	38,528	9.6%	32,752	9.5%	32,406	10.6%	132,323	13.0%	41,706	10.6%	32,278	9.7%	29,622	9.4%	28,717
Total benefits, claims and expenses	1,327,966	339,141	335,263	326,878	326,685	1,234,555	321,276	306,879	307,840	298,559										
Segment income (loss)	\$ 48,443	\$ 779	\$ 7,625	\$ 17,850	\$ 18,091	\$ 21,480	\$ 2,852	\$ (72)	\$ (889)	\$ 9,534										
Management Services Organizations																				
Total revenue	9	9	-	-	-	-	-	-	-	-										
Other operating costs and expenses	14,493	4,062	3,424	3,800	3,207	10,431	2,156	1,874	2,126	4,274										
Total benefits, claims and expenses	14,493	4,062	3,424	3,800	3,207	10,431	2,156	1,874	2,126	4,274										
Equity in income (losses) of unconsolidated subsidiaries	4,998	(9,506)	(5,170)	24,923	(5,249)	(9,626)	(8,492)	(7,446)	13,747	(7,435)										
Segment income (loss)	\$ (9,487)	\$ (13,559)	\$ (8,594)	\$ 21,123	\$ (8,456)	\$ (20,057)	\$ (10,648)	\$ (9,320)	\$ 11,621	\$ (11,710)										
Corporate & Other																				
Gross premiums and policyholder fees	\$ (0)	\$ 0	\$ -	\$ (0)	\$ (0)	\$ 316	\$ (0)	\$ (133)	\$ 449	\$ (0)										
Ceded premiums and policyholder fees	-	-	-	-	-	-	-	-	-	-										
Net premiums	(0)	0	-	(0)	(0)	316	(0)	(133)	449	(0)										
Net investment income	305	90	49	84	83	3,067	100	1,974	312	681										
Fee and other income	2,013	819	792	288	115	3,809	197	1,566	1,829	217										
Total revenue	2,319	909	840	372	198	7,192	297	3,406	2,590	898										
Claims and other benefits	(2)	-	-	(2)	0	(184)	(52)	0	(135)	2										
Interest expense	8,140	3,047	3,088	1,042	963	5,289	1,012	1,260	1,264	1,752										
ACA fee	6	6	(3)	3	-	25	6	6	6	6										
Commissions	137	29	32	36	41	99	19	22	33	26										
Other operating costs and expenses	31,368	8,665	5,872	8,787	8,044	42,251	10,261	9,480	12,810	9,700										
Commissions and general expenses, net of allowances	31,506	8,694	5,904	8,823	8,085	42,350	10,281	9,502	12,842	9,725										
Total benefits, claims and expenses	39,649	11,746	8,989	9,866	9,048	47,480	11,247	10,769	13,978	11,486										
Segment loss	\$ (37,331)	\$ (10,837)	\$ (8,149)	\$ (9,495)	\$ (8,851)	\$ (40,288)	\$ (10,950)	\$ (7,363)	\$ (11,388)	\$ (10,588)										

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	<u>Total</u> <u>2016</u>	<u>Q4</u> <u>2016</u>	<u>Q3</u> <u>2016</u>	<u>Q2</u> <u>2016</u>	<u>Q1</u> <u>2016</u>	<u>Total</u> <u>2015</u>	<u>Q4</u> <u>2015</u>	<u>Q3</u> <u>2015</u>	<u>Q2</u> <u>2015</u>	<u>Q1</u> <u>2015</u>
Continuing - Eliminations										
Gross premiums and policyholder fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assumed premiums and policyholder fees	-	-	-	-	-	-	-	-	-	-
Ceded premiums and policyholder fees	-	-	-	-	-	-	-	-	-	-
Net premiums	-	-	-	-	-	-	-	-	-	-
Net investment income	(268)	0	(41)	(113)	(113)	(546)	(118)	(118)	(119)	(191)
Fee and other income	(252)	-	(155)	(48)	(49)	(230)	(55)	(57)	93	(211)
Total revenue	<u>(520)</u>	<u>0</u>	<u>(196)</u>	<u>(162)</u>	<u>(162)</u>	<u>(775)</u>	<u>(173)</u>	<u>(175)</u>	<u>(26)</u>	<u>(402)</u>
Claims and other benefits	-	-	-	-	-	-	-	-	-	-
Change in deferred policy acquisition costs	-	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	-	-	-	-	-	-	-	-	-	-
Interest expense	(268)	0	(41)	(113)	(113)	(546)	(118)	(118)	(119)	(191)
Loss on reinsurance and other related costs	-	-	-	-	-	-	-	-	-	-
Restructuring costs	-	-	-	-	-	-	-	-	-	-
Intangible asset impairment	-	-	-	-	-	-	-	-	-	-
ACA fee	-	-	-	-	-	-	-	-	-	-
Commissions	(252)	-	(155)	(48)	(49)	(230)	(55)	(57)	93	(211)
Reinsurance commissions and expense allowances	-	-	-	-	-	-	-	-	-	-
Other operating costs and expenses	-	-	-	-	-	-	-	-	-	-
Commissions and general expenses, net of allowances	<u>(252)</u>	<u>-</u>	<u>(155)</u>	<u>(48)</u>	<u>(49)</u>	<u>(230)</u>	<u>(55)</u>	<u>(57)</u>	<u>93</u>	<u>(211)</u>
Total benefits, claims and expenses	<u>(520)</u>	<u>0</u>	<u>(196)</u>	<u>(162)</u>	<u>(162)</u>	<u>(775)</u>	<u>(173)</u>	<u>(175)</u>	<u>(26)</u>	<u>(402)</u>
Segment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (0)</u>	<u>\$ -</u>

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	<u>Total 2016</u>	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q2 2016</u>	<u>Q1 2016</u>	<u>Total 2015</u>	<u>Q4 2015</u>	<u>Q3 2015</u>	<u>Q2 2015</u>	<u>Q1 2015</u>
Discontinued Operations - Total										
Gross premiums and policyholder fees	\$ 219,884	\$ 6,884	\$ 34,510	\$ 88,075	\$ 90,415	\$ 393,538	\$ 92,088	\$ 94,302	\$ 94,023	\$ 113,125
Assumed premiums and policyholder fees	24,478	55	3,468	10,132	10,823	44,428	10,628	11,198	10,844	11,757
Ceded premiums and policyholder fees	(46,168)	(6,938)	(9,403)	(14,616)	(15,211)	(65,443)	(15,821)	(15,975)	(16,381)	(17,266)
Net premiums	198,194	(0)	28,576	83,591	86,027	372,523	86,895	89,525	88,486	107,617
Net investment income	9,137	(8)	1,324	3,876	3,945	17,497	3,965	4,038	4,441	5,053
Fee and other income	915	1	140	389	384	32,484	357	403	7,658	24,066
Total revenue	208,247	(7)	30,040	87,857	90,356	422,503	91,217	93,965	100,585	136,735
Claims and other benefits	172,427	0	25,323	70,678	76,425	328,948	86,678	75,977	75,208	91,084
Change in deferred policy acquisition costs	-	-	-	-	-	23,442	14,953	2,621	2,585	3,283
Amortization of intangible assets	470	-	67	201	201	1,449	258	268	355	569
Interest expense	76	11	4	30	31	756	(1)	(7)	117	646
ACA fee	1,919	-	279	820	820	3,385	833	892	834	825
Commissions	3,555	305	642	1,250	1,359	6,265	1,318	1,561	1,675	1,710
Reinsurance commissions and expense allowances	764	(1,349)	(421)	1,095	1,439	4,996	1,040	1,190	1,080	1,686
Other operating costs and expenses	(5,478)	(918)	(25,224)	10,688	9,976	75,107	10,145	9,290	24,432	31,240
Commissions and general expenses, net of allowances	(1,159)	(1,963)	(25,003)	13,033	12,774	86,368	12,504	12,041	27,188	34,636
Total benefits, claims and expenses	173,732	(1,951)	671	84,762	90,251	444,347	115,226	91,791	106,287	131,043
Income (loss) from operations of discontinued operations	34,515	1,945	29,369	3,096	105	(21,844)	(24,008)	2,175	(5,702)	5,692
Net realized gains (losses) from operations	160	-	(11)	43	128	44	2	(26)	59	9
Realized gain (loss) on sale - APS Healthcare	12,095	-	4,418	6,500	1,177	(17,418)	(115)	1,366	(18,310)	(360)
Realized gain on sale - Medicaid	20,407	-	20,407	-	-	-	-	-	-	-
Fair value adjustment - Traditional Insurance	486	(2,306)	2,775	2,074	(2,058)	(149,153)	(149,153)	-	-	-
Income (loss) from discontinued operations	\$ 67,663	\$ (361)	\$ 56,958	\$ 11,713	\$ (648)	\$ (188,371)	\$ (173,275)	\$ 3,515	\$ (23,953)	\$ 5,342

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands
Discontinued Operations - APS

	<u>Total 2016</u>	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q2 2016</u>	<u>Q1 2016</u>	<u>Total 2015</u>	<u>Q4 2015</u>	<u>Q3 2015</u>	<u>Q2 2015</u>	<u>Q1 2015</u>
Gross premiums and policyholder fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,450	\$ -	\$ -	\$ 46	\$ 17,404
Assumed premiums and policyholder fees	-	-	-	-	-	-	-	-	-	-
Ceded premiums and policyholder fees	-	-	-	-	-	-	-	-	-	-
Net premiums	-	-	-	-	-	17,450	-	-	46	17,404
Net investment income	-	-	-	-	-	0	-	0	-	-
Fee and other income	-	-	-	-	-	30,920	-	16	7,264	23,640
Total revenue	-	-	-	-	-	48,370	-	16	7,309	41,044
Claims and other benefits	(1)	-	(0)	(1)	-	14,533	-	10	(0)	14,523
Change in deferred policy acquisition costs	-	-	-	-	-	-	-	-	-	-
Amortization of intangible assets	-	-	-	-	-	375	-	-	94	281
Interest expense	-	-	-	-	-	775	-	-	124	651
Other operating costs and expenses	(27,824)	(404)	(29,078)	1,057	601	38,358	1,294	156	15,560	21,349
Total benefits, claims and expenses	(27,825)	(404)	(29,078)	1,055	601	54,041	1,294	166	15,778	36,803
Income (loss) from operations of APS Healthcare	27,825	404	29,078	(1,055)	(601)	(5,671)	(1,294)	(150)	(8,469)	4,241
Realized gain (loss) on sale from APS Healthcare	12,095	-	4,418	6,500	1,177	(17,418)	(115)	1,366	(18,310)	(360)
Income (loss) from APS Healthcare	\$ 39,921	\$ 404	\$ 33,496	\$ 5,445	\$ 575	\$ (23,089)	\$ (1,409)	\$ 1,216	\$ (26,778)	\$ 3,882

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	<u>Total</u> <u>2016</u>	<u>Q4</u> <u>2016</u>	<u>Q3</u> <u>2016</u>	<u>Q2</u> <u>2016</u>	<u>Q1</u> <u>2016</u>	<u>Total</u> <u>2015</u>	<u>Q4</u> <u>2015</u>	<u>Q3</u> <u>2015</u>	<u>Q2</u> <u>2015</u>	<u>Q1</u> <u>2015</u>
Discontinued Operations - Traditional										
Gross premiums and policyholder fees	\$ 109,727	\$ 6,884	\$ 18,159	\$ 41,173	\$ 41,173	\$ 185,826	\$ 44,280	\$ 45,393	\$ 45,393	\$ 49,320
Assumed premiums and policyholder fees	24,478	55	3,468	10,132	10,132	44,428	10,628	11,198	11,198	11,757
Ceded premiums and policyholder fees	(46,130)	(6,938)	(9,397)	(14,600)	(14,600)	(65,374)	(15,790)	(15,971)	(15,971)	(17,254)
Net premiums	88,075	(0)	12,231	36,704	36,704	164,879	39,119	40,620	40,620	43,823
Net investment income	9,068	(8)	1,318	3,849	3,849	17,355	3,951	3,995	3,995	5,011
Fee and other income	915	1	140	389	389	1,564	357	387	387	426
Total revenue	98,058	(7)	13,689	40,943	40,943	183,798	43,427	45,002	45,002	49,259
Claims and other benefits	80.9% 71,230	-11.1% 0	91.6% 11,203	74.8% 27,459	88.7% 32,568	87.5% 144,295	114.8% 44,926	80.5% 32,714	77.3% 31,409	80.4% 35,245
Change in deferred policy acquisition costs	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -	14.2% 23,442	38.2% 14,953	6.5% 2,621	6.4% 2,585	7.5% 3,283
Amortization of intangible assets	0.0% -	0.0% -	0.0% -	0.0% -	0.0% -	0.2% 269	0.1% 57	0.2% 66	0.1% 60	0.2% 86
Interest expense	0.0% (4)	11	4	(10)	(9)	(24)	(4)	(7)	(7)	(6)
ACA fee	0.0% -	-	-	-	-	53	-	53	-	-
Commissions	4.0% 3,555	NM 305	5.2% 642	3.4% 1,250	3.7% 1,359	3.8% 6,265	3.4% 1,318	3.8% 1,561	4.1% 1,675	3.9% 1,710
Reinsurance commissions and expense allowances	0.9% 764	NM (1,349)	-3.4% (421)	3.0% 1,095	3.9% 1,439	3.0% 4,996	2.7% 1,040	2.9% 1,190	2.7% 1,080	3.8% 1,686
Other operating costs and expenses	13.1% 11,571	NM (633)	17.5% 2,139	12.8% 4,686	14.7% 5,379	12.6% 20,780	12.4% 4,862	12.3% 4,989	12.3% 4,984	13.6% 5,945
Commissions and general expenses, net of allowances	18.0% 15,890	NM (1,677)	19.3% 2,360	19.2% 7,031	22.3% 8,177	19.4% 32,041	18.5% 7,220	19.1% 7,740	19.1% 7,739	21.3% 9,341
Total benefits, claims and expenses	87,116	(1,666)	13,567	34,480	40,735	200,076	67,152	43,187	41,786	47,950
Income (loss) from operations of Traditional Insurance	10,942	1,660	122	6,463	207	(16,278)	(23,726)	1,815	3,215	1,309
Net realized gains (losses) from operations	160	-	(11)	43	128	44	2	(26)	59	9
Fair value adjustment - Traditional Insurance	486	(2,306)	2,775	2,074	(2,058)	(149,153)	(149,153)	-	-	-
Income (loss) from Traditional Insurance	11,588	(646)	2,886	8,580	(1,722)	(165,387)	(172,877)	1,789	3,274	1,318

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	<u>Total</u>		<u>Q4</u>		<u>Q3</u>		<u>Q2</u>		<u>Q1</u>		<u>Total</u>		<u>Q4</u>		<u>Q3</u>		<u>Q2</u>		<u>Q1</u>	
	<u>2016</u>		<u>2016</u>		<u>2016</u>		<u>2016</u>		<u>2016</u>		<u>2015</u>		<u>2015</u>		<u>2015</u>		<u>2015</u>		<u>2015</u>	
Discontinued Operations - Medicaid																				
Gross premiums and policyholder fees	\$ 110,157		\$ -		\$ 16,351		\$ 46,903		\$ 46,904		\$ 190,262		\$ 47,808		\$ 48,909		\$ 47,144		\$ 46,401	
Ceded premiums and policyholder fees	(38)		-		(6)		(15)		(17)		(68)		(31)		(4)		(21)		(12)	
Net premiums	110,119		-		16,345		46,887		46,887		190,194		47,777		48,905		47,123		46,389	
Net investment income	69		-		6		27		36		141		14		43		42		42	
Total revenue	110,189		-		16,351		46,915		46,923		190,335		47,791		48,948		47,165		46,432	
Claims and other benefits	91.9%	101,199	#DIV/0!	0	86.4%	14,120	92.2%	43,221	93.5%	43,857	89.4%	170,120	87.4%	41,752	88.4%	43,252	92.9%	43,799	89.1%	41,317
Amortization of intangible assets	0.4%	470	#DIV/0!	-	0.4%	67	0.4%	201	0.4%	201	0.4%	805	0.4%	201	0.4%	201	0.4%	201	0.4%	201
Interest expense	0.1%	80	#DIV/0!	-	0.0%	-	0.1%	40	0.1%	40	0.0%	4	0.0%	3	0.0%	0	0.0%	0	0.0%	1
ACA fee	1.7%	1,919	#DIV/0!	-	1.7%	279	1.7%	820	1.7%	820	1.8%	3,332	1.7%	833	1.7%	839	1.8%	834	1.8%	825
Other operating costs and expenses	9.8%	10,774	#DIV/0!	119	10.5%	1,714	10.5%	4,945	8.5%	3,996	8.4%	15,970	8.4%	3,990	8.5%	4,146	8.3%	3,889	8.5%	3,946
Total benefits, claims and expenses		114,441		119		16,181		49,227		48,914		190,230		46,780		48,438		48,723		46,289
(Loss) income from operations of Medicaid		(4,253)		(119)		169		(2,312)		(1,991)		105		1,011		510		(1,558)		142
Realized gain on sale of Medicaid		\$ 20,407		\$ -		\$ 20,407		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -		\$ -
Income (loss) from Medicaid		\$ 16,154		\$ (119)		\$ 20,576		\$ (2,312)		\$ (1,991)		\$ 105		\$ 1,011		\$ 510		\$ (1,558)		\$ 142

Note: Amounts may not foot due to rounding

Universal American Corp
MD&A - Segment Trends
December 31, 2016

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

	Q4 YTD 2015	Q4 YTD 2016	YTD Variance		Q4 QTD 2015	Q4 QTD 2016	QTD Variance		Q3 QTD 2016	Q4 QTD 2016	QTD Variance	
Continuing Operations:												
Medicare Advantage	\$ 21,480	\$ 48,443	\$ 26,963	125.5%	\$ 2,852	\$ 779	\$ (2,073)	-72.7%	\$ 7,625	\$ 779	\$ (6,846)	-89.8%
MSOs	(20,057)	(9,487)	10,570	-52.7%	(10,648)	(13,559)	(2,911)	27.3%	(8,594)	(13,559)	(4,965)	57.8%
Corporate & Other	(40,288)	(37,331)	2,957	-7.3%	(10,950)	(10,837)	113	-1.0%	(8,149)	(10,837)	(2,688)	33.0%
Realized gains (losses)	<u>38,954</u>	<u>1,429</u>	<u>(37,525)</u>	-96.3%	<u>5,329</u>	<u>44</u>	<u>(5,285)</u>	-99.2%	<u>(143)</u>	<u>44</u>	<u>188</u>	-131.0%
Income (loss) from continuing operations before income taxes	89	3,054	2,965	3321.2%	(13,416)	(23,572)	(10,156)	75.7%	(9,262)	(23,572)	(14,311)	154.5%
Provision for (benefit from) income taxes	<u>3,785</u>	<u>9,345</u>	<u>5,560</u>	146.9%	<u>(3,833)</u>	<u>(6,128)</u>	<u>(2,295)</u>	59.9%	<u>(505)</u>	<u>(6,128)</u>	<u>(5,623)</u>	1114.1%
Loss from continuing operations	<u>\$ (3,695)</u>	<u>\$ (6,290)</u>	<u>\$ (2,595)</u>	70.2%	<u>\$ (9,583)</u>	<u>\$ (17,444)</u>	<u>\$ (7,861)</u>	82.0%	<u>\$ (8,757)</u>	<u>\$ (17,444)</u>	<u>\$ (8,687)</u>	99.2%
Discontinued Operations:												
(Loss) income from discontinued operations before income taxes	\$ (188,371)	\$ 67,663	\$ 256,034	-135.9%	\$ (173,275)	\$ (361)	\$ 172,914	-99.8%	\$ 56,958	\$ (361)	\$ (57,319)	-100.6%
(Benefit from) provision for income taxes	<u>(28,098)</u>	<u>5,996</u>	<u>34,094</u>	-121.3%	<u>(21,302)</u>	<u>699</u>	<u>22,001</u>	-103.3%	<u>(2,680)</u>	<u>699</u>	<u>3,378</u>	-126.1%
(Loss) income from discontinued operations	<u>(160,273)</u>	<u>61,667</u>	<u>221,940</u>	-138.5%	<u>(151,972)</u>	<u>(1,059)</u>	<u>150,913</u>	-99.3%	<u>59,638</u>	<u>(1,059)</u>	<u>(60,697)</u>	-101.8%
Net (loss) income	<u>(163,969)</u>	<u>55,376</u>	<u>219,345</u>	-133.8%	<u>(161,555)</u>	<u>(18,503)</u>	<u>143,052</u>	-88.5%	<u>50,881</u>	<u>(18,503)</u>	<u>(69,385)</u>	-136.4%
Per Share Data (Diluted)												
(Loss) income from continuing operations	\$ (0.04)	\$ (0.09)	\$ (0.04)	98.5%	\$ (0.12)	\$ (0.31)	\$ (0.19)	165.7%	\$ (0.14)	\$ (0.31)	\$ (0.17)	116.0%
(Loss) income from discontinued operations	<u>\$ (1.95)</u>	<u>\$ 0.87</u>	<u>\$ 2.82</u>	-144.9%	<u>\$ (1.84)</u>	<u>\$ (0.02)</u>	<u>\$ 1.82</u>	-99.0%	<u>\$ 0.97</u>	<u>\$ (0.02)</u>	<u>\$ (0.99)</u>	-101.9%
Net (loss) income	<u>\$ (1.99)</u>	<u>\$ 0.78</u>	<u>\$ 2.77</u>	-139.4%	<u>\$ (1.96)</u>	<u>\$ (0.33)</u>	<u>\$ 1.63</u>	-83.3%	<u>\$ 0.83</u>	<u>\$ (0.33)</u>	<u>\$ (1.16)</u>	-139.4%
Weighted Average shares O/S - Diluted	82,402,056	70,670,510			82,573,098	56,563,535			61,329,485	56,563,535		
Effective Tax Rate for continuing operations	4239.1%	305.9%			28.6%	26.0%			5.5%	26.0%		
Effective Tax Rate for discontinued operations	14.9%	8.9%			12.3%	-193.6%			-4.7%	-193.6%		
Overall Effective Tax Rate	12.9%	21.7%			13.5%	22.7%			-6.7%	22.7%		

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands
Consolidated Segments

Continuing Operations:

	<u>Q4 YTD 2015</u>	<u>Q4 YTD 2016</u>	<u>YTD Variance</u>		<u>Q4 QTD 2015</u>	<u>Q4 QTD 2016</u>	<u>QTD Variance</u>		<u>Q3 QTD 2016</u>	<u>Q4 QTD 2016</u>	<u>QTD Variance</u>	
Gross premiums and policyholder fees	\$ 1,247,900	\$ 1,367,833	\$ 119,933	9.6%	\$ 322,211	\$ 337,640	\$ 15,428	4.8%	\$ 341,161	\$ 337,640	\$ (3,521)	-1.0%
Assumed premiums and policyholder fees	-	28	28	N/a	-	17	17	N/a	11	17	6	48.6%
Ceded premiums and policyholder fees	(1,929)	(1,146)	783	-40.6%	(481)	(99)	382	-79.4%	(529)	(99)	429	-81.2%
Net premiums	<u>1,245,971</u>	<u>1,366,716</u>	<u>120,744</u>	9.7%	<u>321,730</u>	<u>337,558</u>	<u>15,828</u>	4.9%	<u>340,644</u>	<u>337,558</u>	<u>(3,086)</u>	-0.9%
Net investment income	11,957	8,594	(3,363)	-28.1%	2,204	2,304	101	4.6%	1,926	2,304	378	19.6%
Fee and other income	4,523	2,908	(1,616)	-35.7%	319	976	657	205.5%	963	976	13	1.4%
Total revenue	<u>1,262,452</u>	<u>1,378,217</u>	<u>115,766</u>	9.2%	<u>324,253</u>	<u>340,838</u>	<u>16,585</u>	5.1%	<u>343,532</u>	<u>340,838</u>	<u>(2,694)</u>	-0.8%
Claims and other benefits	1,074,474	1,153,827	79,353	7.4%	272,626	285,679	13,053	4.8%	290,982	285,679	(5,303)	-1.8%
Amortization of intangible assets	2,110	933	(1,177)	-55.8%	528	237	(290)	-55.0%	237	237	(0)	0.0%
Interest expense	4,743	7,872	3,129	66.0%	894	3,047	2,153	240.8%	3,047	3,047	(0)	0.0%
Asset impairment charge	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
ACA fee	25,489	21,731	(3,758)	-14.7%	6,372	5,438	(935)	-14.7%	5,513	5,438	(76)	-1.4%
Commissions	18,529	20,132	1,603	8.7%	5,397	5,539	142	2.6%	5,265	5,539	274	5.2%
Reinsurance commissions and expense allowances	(1,273)	-	1,273	-100.0%	(438)	-	438	-100.0%	-	-	-	N/a
Other operating costs and expenses	167,618	177,095	9,477	5.7%	49,127	55,009	5,882	12.0%	42,437	55,009	12,572	29.6%
Commissions and general expenses, net of allowances	<u>184,874</u>	<u>197,227</u>	<u>12,353</u>	6.7%	<u>54,087</u>	<u>60,548</u>	<u>6,461</u>	11.9%	<u>47,702</u>	<u>60,548</u>	<u>12,847</u>	26.9%
Total benefits, claims and expenses	1,291,690	1,381,589	89,899	7.0%	334,507	354,949	20,442	6.1%	347,480	354,949	7,468	2.1%
Equity in (losses) income of unconsolidated subsidiaries	(9,626)	4,998	14,624	-151.9%	(8,492)	(9,506)	(1,014)	11.9%	(5,170)	(9,506)	(4,336)	83.9%
Segment (loss) income	(38,865)	1,626	40,490	-104.2%	(18,745)	(23,617)	(4,871)	26.0%	(9,118)	(23,617)	(14,498)	159.0%
Realized gains (losses)	<u>38,954</u>	<u>1,429</u>	<u>(37,525)</u>	-96.3%	<u>5,329</u>	<u>44</u>	<u>(5,285)</u>	-99.2%	<u>(143)</u>	<u>44</u>	<u>188</u>	-131.0%
Pre-tax income (loss) from continuing operations	<u>\$ 89</u>	<u>\$ 3,054</u>	<u>\$ 2,965</u>	3321.2%	<u>\$ (13,416)</u>	<u>\$ (23,572)</u>	<u>\$ (10,156)</u>	75.7%	<u>\$ (9,262)</u>	<u>\$ (23,572)</u>	<u>\$ (14,311)</u>	154.5%

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Medicare Advantage

	<u>Q4 YTD</u> <u>2015</u>	<u>Q4 YTD</u> <u>2016</u>	<u>YTD</u> <u>Variance</u>		<u>Q4 QTD</u> <u>2015</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>		<u>Q3 QTD</u> <u>2016</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>	
Gross premiums and policyholder fees	\$ 1,247,584	\$ 1,367,833	\$ 120,249	9.6%	\$ 322,211	\$ 337,640	\$ 15,428	4.8%	\$ 341,161	\$ 337,640	\$ (3,521)	-1.0%
Assumed premiums and policyholder fees	-	28	28	N/a	-	17	17	N/a	11	17	6	48.6%
Ceded premiums and policyholder fees	(1,929)	(1,146)	783	-40.6%	(481)	(99)	382	-79.4%	(529)	(99)	429	-81.2%
Net premiums	1,245,655	1,366,716	121,060	9.7%	321,730	337,558	15,828	4.9%	340,644	337,558	(3,086)	-0.9%
Net investment income	9,435	8,547	(888)	-9.4%	2,221	2,206	(16)	-0.7%	1,919	2,206	287	15.0%
Fee and other income	944	1,146	202	21.4%	177	157	(21)	-11.7%	326	157	(169)	-51.9%
Total revenue	1,256,035	1,376,409	120,375	9.6%	324,129	339,920	15,791	4.9%	342,888	339,920	(2,968)	-0.9%
Quality initiatives	25,341	24,179	(1,161)	-4.6%	6,564	6,930	366	5.6%	6,011	6,930	919	15.3%
Medical benefits	1,049,318	1,129,649	80,332	7.7%	266,114	278,749	12,635	4.7%	284,971	278,749	(6,222)	-2.2%
Claims and other benefits	1,074,658	1,153,829	79,170	7.4%	272,677	285,679	13,001	4.8%	290,982	285,679	(5,303)	-1.8%
Amortization of intangible assets	2,110	933	(1,177)	-55.8%	528	237	(290)	-55.0%	237	237	(0)	0.0%
Asset impairment charge	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
ACA fee	25,464	21,725	(3,738)	-14.7%	6,366	5,432	(934)	-14.7%	5,516	5,432	(84)	-1.5%
Commissions	18,659	20,246	1,587	8.5%	5,433	5,511	78	1.4%	5,388	5,511	123	2.3%
Reinsurance commissions and expense allowances	(1,273)	-	1,273	-100.0%	(438)	-	438	-100.0%	-	-	-	N/a
Other operating costs and expenses	114,937	131,234	16,297	14.2%	36,710	42,282	5,572	15.2%	33,140	42,282	9,142	27.6%
Commissions and general expenses, net of allowances	132,323	151,480	19,157	14.5%	41,706	47,793	6,087	14.6%	38,528	47,793	9,265	24.0%
Total benefits, claims and expenses	1,234,555	1,327,966	93,412	7.6%	321,276	339,141	17,865	5.6%	335,263	339,141	3,878	1.2%
Segment income	\$ 21,480	\$ 48,443	\$ 26,963	125.5%	\$ 2,852	\$ 779	\$ (2,073)	-72.7%	\$ 7,625	\$ 779	\$ (6,846)	-89.8%

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Management Services Organizations

	<u>Q4 YTD 2015</u>	<u>Q4 YTD 2016</u>	<u>YTD Variance</u>		<u>Q4 QTD 2015</u>	<u>Q4 QTD 2016</u>	<u>QTD Variance</u>		<u>Q3 QTD 2016</u>	<u>Q4 QTD 2016</u>	<u>QTD Variance</u>	
Total revenue	-	9	9	N/a	-	9	9	N/a	-	9	9	N/a
Other operating costs and expenses	10,431	14,493	4,062	38.9%	2,156	4,062	1,906	88.4%	3,424	4,062	638	18.6%
Total benefits, claims and expenses	10,431	14,493	4,062	38.9%	2,156	4,062	1,906	88.4%	3,424	4,062	638	18.6%
Equity in (losses) income of unconsolidated subsidiaries	(9,626)	4,998	14,624	-151.9%	(8,492)	(9,506)	(1,014)	11.9%	(5,170)	(9,506)	(4,336)	83.9%
Segment loss	<u>\$ (20,057)</u>	<u>\$ (9,487)</u>	<u>\$ 10,570</u>	-52.7%	<u>\$ (10,648)</u>	<u>\$ (13,559)</u>	<u>\$ (2,911)</u>	27.3%	<u>\$ (8,594)</u>	<u>\$ (13,559)</u>	<u>\$ (4,965)</u>	57.8%
Corporate & Other												
Gross premiums and policyholder fees	\$ 316	\$ (0)	\$ (316)	-100.0%	\$ (0)	\$ 0	\$ 0	-100.0%	\$ -	\$ 0	\$ 0	N/a
Ceded premiums and policyholder fees	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Net premiums	316	(0)	(316)	-100.0%	(0)	0	0	-100.0%	-	0	0	N/a
Net investment income	3,067	305	(2,762)	-90.0%	100	90	(11)	-10.6%	49	90	41	84.4%
Fee and other income	3,809	2,013	(1,796)	-47.1%	197	819	622	315.9%	792	819	28	3.5%
Total revenue	<u>7,192</u>	<u>2,319</u>	<u>(4,874)</u>	-67.8%	<u>297</u>	<u>909</u>	<u>612</u>	205.7%	<u>840</u>	<u>909</u>	<u>69</u>	8.2%
Claims and other benefits	(184)	(2)	183	-99.1%	(52)	-	52	-100.0%	-	-	-	N/a
Interest expense	5,289	8,140	2,851	53.9%	1,012	3,047	2,035	201.1%	3,088	3,047	(41)	-1.3%
ACA fee	25	6	(20)	-78.3%	6	6	(1)	-13.1%	(3)	6	8	-301.2%
Commissions	99	137	38	38.5%	19	29	9	48.9%	32	29	(3)	-10.4%
Other operating costs and expenses	42,251	31,368	(10,883)	-25.8%	10,261	8,665	(1,596)	-15.6%	5,872	8,665	2,793	47.6%
Commissions and general expenses, net of allowances	<u>42,350</u>	<u>31,506</u>	<u>(10,845)</u>	-25.6%	<u>10,281</u>	<u>8,694</u>	<u>(1,587)</u>	-15.4%	<u>5,904</u>	<u>8,694</u>	<u>2,789</u>	47.2%
Total benefits, claims and expenses	47,480	39,649	(7,831)	-16.5%	11,247	11,746	499	4.4%	8,989	11,746	2,757	30.7%
Segment loss	<u>\$ (40,288)</u>	<u>\$ (37,331)</u>	<u>\$ 2,957</u>	-7.3%	<u>\$ (10,950)</u>	<u>\$ (10,837)</u>	<u>\$ 113</u>	-1.0%	<u>\$ (8,149)</u>	<u>\$ (10,837)</u>	<u>\$ (2,688)</u>	33.0%

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Continuing - Eliminations

	<u>Q4 YTD</u> <u>2015</u>	<u>Q4 YTD</u> <u>2016</u>	<u>YTD</u> <u>Variance</u>		<u>Q4 QTD</u> <u>2015</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>		<u>Q3 QTD</u> <u>2016</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>	
Gross premiums and policyholder fees	\$ -	\$ -	\$ -	N/a	\$ -	\$ -	\$ -	N/a	\$ -	\$ -	\$ -	N/a
Assumed premiums and policyholder fees	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Ceded premiums and policyholder fees	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Net premiums	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Net investment income	(546)	(268)	278	-50.9%	(118)	0	118	-100.0%	(41)	0	41	-100.0%
Fee and other income	(230)	(252)	(22)	9.5%	(55)	-	55	-100.0%	(155)	-	155	-100.0%
Total revenue	<u>(775)</u>	<u>(520)</u>	<u>256</u>	<u>-33.0%</u>	<u>(173)</u>	<u>0</u>	<u>173</u>	<u>-100.0%</u>	<u>(196)</u>	<u>0</u>	<u>196</u>	<u>-100.0%</u>
Claims and other benefits	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Change in deferred policy acquisition costs	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Amortization of intangible assets	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Interest expense	(546)	(268)	278	-50.9%	(118)	0	118	-100.0%	(41)	0	41	-100.0%
Loss on reinsurance and other related costs	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Restructuring costs	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Intangible asset impairment	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
ACA fee	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Commissions	(230)	(252)	(22)	9.5%	(55)	-	55	-100.0%	(155)	-	155	-100.0%
Reinsurance commissions and expense allowances	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Other operating costs and expenses	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Commissions and general expenses, net of allowances	<u>(230)</u>	<u>(252)</u>	<u>(22)</u>	<u>9.5%</u>	<u>(55)</u>	<u>-</u>	<u>55</u>	<u>-100.0%</u>	<u>(155)</u>	<u>-</u>	<u>155</u>	<u>-100.0%</u>
Total benefits, claims and expenses	<u>(775)</u>	<u>(520)</u>	<u>256</u>	<u>-33.0%</u>	<u>(173)</u>	<u>0</u>	<u>173</u>	<u>-100.0%</u>	<u>(196)</u>	<u>0</u>	<u>196</u>	<u>-100.0%</u>
Segment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/a</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/a</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>N/a</u>

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Discontinued Operations - Total

	<u>Q4 YTD</u> <u>2015</u>	<u>Q4 YTD</u> <u>2016</u>	<u>YTD</u> <u>Variance</u>		<u>Q4 QTD</u> <u>2015</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>		<u>Q3 QTD</u> <u>2016</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>	
Gross premiums and policyholder fees	\$ 393,538	\$ 219,884	\$ (173,654)	-44.1%	\$ 92,088	\$ 6,884	\$ (85,205)	-92.5%	\$ 34,510	\$ 6,884	\$ (27,626)	-80.1%
Assumed premiums and policyholder fees	44,428	24,478	(19,949)	-44.9%	10,628	55	(10,573)	-99.5%	3,468	55	(3,413)	-98.4%
Ceded premiums and policyholder fees	(65,443)	(46,168)	19,275	-29.5%	(15,821)	(6,938)	8,883	-56.1%	(9,403)	(6,938)	2,464	-26.2%
Net premiums	372,523	198,194	(174,328)	-46.8%	86,895	(0)	(86,895)	-100.0%	28,576	(0)	(28,576)	-100.0%
Net investment income	17,497	9,137	(8,360)	-47.8%	3,965	(8)	(3,973)	-100.2%	1,324	(8)	(1,332)	-100.6%
Fee and other income	32,484	915	(31,569)	-97.2%	357	1	(356)	-99.6%	140	1	(139)	-99.0%
Total revenue	422,503	208,247	(214,256)	-50.7%	91,217	(7)	(91,224)	-100.0%	30,040	(7)	(30,047)	-100.0%
Claims and other benefits	328,948	172,427	(156,521)	-47.6%	86,678	0	(86,678)	-100.0%	25,323	0	(25,323)	-100.0%
Change in deferred policy acquisition costs	23,442	-	(23,442)	-100.0%	14,953	-	(14,953)	-100.0%	-	-	-	N/a
Amortization of intangible assets	1,449	470	(979)	-67.6%	258	-	(258)	-100.0%	67	-	(67)	-100.0%
Interest expense	756	76	(680)	-90.0%	(1)	11	12	-1839.7%	4	11	7	166.6%
ACA fee	3,385	1,919	(1,466)	-43.3%	833	-	(833)	-100.0%	279	-	(279)	-100.0%
Commissions	6,265	3,555	(2,709)	-43.3%	1,318	305	(1,014)	-76.9%	642	305	(337)	-52.5%
Reinsurance commissions and expense allowances	4,996	764	(4,232)	-84.7%	1,040	(1,349)	(2,390)	-229.7%	(421)	(1,349)	(928)	220.6%
Other operating costs and expenses	75,107	(5,478)	(80,585)	-107.3%	10,145	(918)	(11,063)	-109.0%	(25,224)	(918)	24,306	-96.4%
Commissions and general expenses, net of allowances	86,368	(1,159)	(87,527)	-101.3%	12,504	(1,963)	(14,466)	-115.7%	(25,003)	(1,963)	23,040	-92.1%
Total benefits, claims and expenses	444,347	173,732	(270,615)	-60.9%	115,226	(1,951)	(117,177)	-101.7%	671	(1,951)	(2,623)	-390.8%
Income (loss) from operations of discontinued operations	(21,844)	34,515	56,358	-258.0%	(24,008)	1,945	25,953	-108.1%	29,369	1,945	(27,424)	-93.4%
Net realized gains (losses) from operations	44	160	117	267.5%	2	-	(2)	-100.0%	(11)	-	11	-100.0%
Realized loss (gain) on sale - APS Healthcare	(17,418)	12,095	29,513	-169.4%	(115)	-	115	-100.0%	4,418	-	(4,418)	-100.0%
Realized gain on sale - Medicaid	-	20,407	20,407	N/a	-	-	-	N/a	20,407	-	(20,407)	-100.0%
Fair value adjustment - Traditional Insurance	(149,153)	486	149,639	-100.3%	(149,153)	(2,306)	146,848	-98.5%	2,775	(2,306)	(5,080)	-183.1%
Loss (income) from discontinued operations	\$ (188,371)	\$ 67,663	\$ 256,034	-135.9%	\$ (173,275)	\$ (361)	\$ 172,914	-99.8%	\$ 56,958	\$ (361)	\$ (57,319)	-100.6%

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Discontinued Operations - APS

	<u>Q4 YTD 2015</u>	<u>Q4 YTD 2016</u>	<u>YTD Variance</u>		<u>Q4 QTD 2015</u>	<u>Q4 QTD 2016</u>	<u>QTD Variance</u>		<u>Q3 QTD 2016</u>	<u>Q4 QTD 2016</u>	<u>QTD Variance</u>	
Gross premiums and policyholder fees	\$ 17,450	\$ -	\$ (17,450)	-100.0%	\$ -	\$ -	\$ -	N/a	\$ -	\$ -	\$ -	N/a
Assumed premiums and policyholder fees	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Ceded premiums and policyholder fees	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Net premiums	<u>17,450</u>	<u>-</u>	<u>(17,450)</u>	-100.0%	<u>-</u>	<u>-</u>	<u>-</u>	N/a	<u>-</u>	<u>-</u>	<u>-</u>	N/a
Net investment income	0	-	(0)	-100.0%	-	-	-	N/a	-	-	-	N/a
Fee and other income	<u>30,920</u>	<u>-</u>	<u>(30,920)</u>	-100.0%	<u>-</u>	<u>-</u>	<u>-</u>	N/a	<u>-</u>	<u>-</u>	<u>-</u>	N/a
Total revenue	<u>48,370</u>	<u>-</u>	<u>(48,370)</u>	-100.0%	<u>-</u>	<u>-</u>	<u>-</u>	N/a	<u>-</u>	<u>-</u>	<u>-</u>	N/a
Claims and other benefits	14,533	(1)	(14,534)	-100.0%	-	-	-	N/a	(0)	-	0	-100.0%
Change in deferred policy acquisition costs	-	-	-	N/a	-	-	-	N/a	-	-	-	N/a
Amortization of intangible assets	375	-	(375)	-100.0%	-	-	-	N/a	-	-	-	N/a
Interest expense	775	-	(775)	-100.0%	-	-	-	N/a	-	-	-	N/a
Other operating costs and expenses	<u>38,358</u>	<u>(27,824)</u>	<u>(66,181)</u>	-172.5%	<u>1,294</u>	<u>(404)</u>	<u>(1,698)</u>	-131.3%	<u>(29,078)</u>	<u>(404)</u>	<u>28,673</u>	-98.6%
Total benefits, claims and expenses	<u>54,041</u>	<u>(27,825)</u>	<u>(81,866)</u>	-151.5%	<u>1,294</u>	<u>(404)</u>	<u>(1,698)</u>	-131.3%	<u>(29,078)</u>	<u>(404)</u>	<u>28,674</u>	-98.6%
(Loss) income from operations of discontinued operations	(5,671)	27,825	33,496	-590.7%	(1,294)	404	1,698	-131.3%	29,078	404	(28,674)	-98.6%
Realized (loss) income on sale from APS Healthcare	<u>(17,418)</u>	<u>12,095</u>	<u>29,513</u>	-169.4%	<u>(115)</u>	<u>-</u>	<u>115</u>	-100.0%	<u>4,418</u>	<u>-</u>	<u>(4,418)</u>	-100.0%
Loss (income) from discontinued operations	<u>\$ (23,089)</u>	<u>\$ 39,921</u>	<u>\$ 63,009</u>	-272.9%	<u>\$ (1,409)</u>	<u>\$ 404</u>	<u>\$ 1,813</u>	-128.7%	<u>\$ 33,496</u>	<u>\$ 404</u>	<u>\$ (33,092)</u>	-98.8%

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Discontinued Operations - Traditional

	<u>Q4 YTD</u> <u>2015</u>	<u>Q4 YTD</u> <u>2016</u>	<u>YTD</u> <u>Variance</u>		<u>Q4 QTD</u> <u>2015</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>		<u>Q3 QTD</u> <u>2016</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>	
Gross premiums and policyholder fees	\$ 185,826	\$ 109,727	\$ (76,099)	-41.0%	\$ 44,280	\$ 6,884	\$ (37,397)	-84.5%	\$ 18,159	\$ 6,884	\$ (11,276)	-62.1%
Assumed premiums and policyholder fees	44,428	24,478	(19,949)	-44.9%	10,628	55	(10,573)	-99.5%	3,468	55	(3,413)	-98.4%
Ceded premiums and policyholder fees	(65,374)	(46,130)	19,244	-29.4%	(15,790)	(6,938)	8,851	-56.1%	(9,397)	(6,938)	2,459	-26.2%
Net premiums	164,879	88,075	(76,804)	-46.6%	39,119	(0)	(39,119)	-100.0%	12,231	(0)	(12,231)	-100.0%
Net investment income	17,355	9,068	(8,287)	-47.8%	3,951	(8)	(3,959)	-100.2%	1,318	(8)	(1,326)	-100.6%
Fee and other income	1,564	915	(649)	-41.5%	357	1	(356)	-99.6%	140	1	(139)	-99.0%
Total revenue	183,798	98,058	(85,740)	-46.6%	43,427	(7)	(43,433)	-100.0%	13,689	(7)	(13,696)	-100.0%
Claims and other benefits	144,295	71,230	(73,066)	-50.6%	44,926	0	(44,926)	-100.0%	11,203	0	(11,203)	-100.0%
Change in deferred policy acquisition costs	23,442	-	(23,442)	-100.0%	14,953	-	(14,953)	-100.0%	-	-	-	N/a
Amortization of intangible assets	269	-	(269)	-100.0%	57	-	(57)	-100.0%	-	-	-	N/a
Interest expense	(24)	(4)	20	-83.0%	(4)	11	15	-389.7%	4	11	7	166.6%
ACA fee	53	-	(53)	-100.0%	-	-	-	N/a	-	-	-	N/a
Commissions	6,265	3,555	(2,709)	-43.3%	1,318	305	(1,014)	-76.9%	642	305	(337)	-52.5%
Reinsurance commissions and expense allowances	4,996	764	(4,232)	-84.7%	1,040	(1,349)	(2,390)	-229.7%	(421)	(1,349)	(928)	220.6%
Other operating costs and expenses	20,780	11,571	(9,209)	-44.3%	4,862	(633)	(5,494)	-113.0%	2,139	(633)	(2,772)	-129.6%
Commissions and general expenses, net of allowances	32,041	15,890	(16,150)	-50.4%	7,220	(1,677)	(8,898)	-123.2%	2,360	(1,677)	(4,037)	-171.1%
Total benefits, claims and expenses	200,076	87,116	(112,960)	-56.5%	67,152	(1,666)	(68,819)	-102.5%	13,567	(1,666)	(15,234)	-112.3%
(Loss) income from operations of discontinued operations	(16,278)	10,942	27,220	-167.2%	(23,726)	1,660	25,385	-107.0%	122	1,660	1,538	1259.3%
Net realized gains (losses) from operations	44	160	117	267.5%	2	-	(2)	-100.0%	(11)	-	11	-100.0%
Fair value adjustment - Traditional Insurance	(149,153)	486	149,639	-100.3%	(149,153)	(2,306)	146,848	-98.5%	2,775	(2,306)	(5,080)	-183.1%
Income (loss) from discontinued operations	(165,387)	11,588	176,975	-107.0%	(172,877)	(646)	172,231	-99.6%	2,886	(646)	(3,532)	-122.4%

Note: Amounts may not foot due to rounding

Consolidated Results - Unaudited
For the year ended December 31, 2016
In thousands

Discontinued Operations - Medicaid

	<u>Q4 YTD</u> <u>2015</u>	<u>Q4 YTD</u> <u>2016</u>	<u>YTD</u> <u>Variance</u>		<u>Q4 QTD</u> <u>2015</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>		<u>Q3 QTD</u> <u>2016</u>	<u>Q4 QTD</u> <u>2016</u>	<u>QTD</u> <u>Variance</u>	
Gross premiums and policyholder fees	\$ 190,262	\$ 110,157	\$ (80,105)	-42.1%	\$ 47,808	\$ -	\$ (47,808)	-100.0%	\$ 16,351	\$ -	\$ (16,351)	-100.0%
Ceded premiums and policyholder fees	(68)	(38)	30	-44.6%	(31)	-	31	-100.0%	(6)	-	6	-100.0%
Net premiums	190,194	110,119	(80,075)	-42.1%	47,777	-	(47,777)	-100.0%	16,345	-	(16,345)	-100.0%
Net investment income	141	69	(72)	-51.0%	14	-	(14)	-100.0%	6	-	(6)	-100.0%
Total revenue	190,335	110,189	(80,147)	-42.1%	47,791	-	(47,791)	-100.0%	16,351	-	(16,351)	-100.0%
Claims and other benefits	170,120	101,199	(68,921)	-40.5%	41,752	0	(41,752)	-100.0%	14,120	0	(14,120)	-100.0%
Amortization of intangible assets	805	470	(335)	-41.7%	201	-	(201)	-100.0%	67	-	(67)	-100.0%
Interest expense	4	80	76	1769.9%	3	-	(3)	-100.0%	-	-	-	N/a
ACA fee	3,332	1,919	(1,413)	-42.4%	833	-	(833)	-100.0%	279	-	(279)	-100.0%
Other operating costs and expenses	15,970	10,774	(5,195)	-32.5%	3,990	119	(3,871)	-97.0%	1,714	119	(1,596)	-93.1%
Total benefits, claims and expenses	190,230	114,441	(75,789)	-39.8%	46,780	119	(46,661)	-99.7%	16,181	119	(16,062)	-99.3%
Income (loss) from operations of Medicaid	105	\$ (4,253)	\$ (4,358)	-4156.1%	\$ 1,011	\$ (119)	\$ (1,130)	-111.8%	\$ 169	\$ (119)	\$ (289)	-170.3%
Realized gain on sale of Medicaid	\$ -	20,407	20,407	N/a	-	-	-	N/a	20,407	-	(20,407)	-100.0%
Income (loss) from Medicaid	\$ 105	\$ 16,154	\$ 16,049	15306.4%	\$ 1,011	\$ (119)	\$ (1,130)	-111.8%	\$ 20,576	\$ (119)	\$ (20,695)	-100.6%

Note: Amounts may not foot due to rounding

Universal American Corp.
Investment Portfolio - Credit Quality Summary
Continuing Operations
(\$ in thousands)

	4Q 2016		3Q 2016		2Q 2016		1Q 2016		4Q 2015	
	Fair Value	%	Fair Value	%	Fair Value	%	Fair Value	%	Fair Value	%
Fixed Maturity Securities										
AAA	69,693	28.4%	72,302	32.7%	64,505	26.9%	74,122	26.2%	74,232	26.3%
AA	28,334	11.6%	24,070	10.9%	23,751	9.9%	29,608	10.5%	28,218	10.0%
A	68,005	27.7%	48,697	22.0%	48,051	20.0%	66,731	23.6%	63,966	22.7%
BBB	78,143	31.9%	74,777	33.8%	102,219	42.6%	110,930	39.3%	114,332	40.6%
BB	-	0.0%	99	0.0%	98	0.0%	89	0.0%	-	0.0%
B	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
CCC	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
CC	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
C	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
D	93	0.0%	110	0.0%	126	0.1%	142	0.1%	136	0.0%
NR	923	0.4%	955	0.4%	981	0.4%	891	0.3%	893	0.3%
TOTAL - Fixed Maturity	245,191	100.0%	221,009	100.0%	239,732	100.0%	282,513	100.0%	281,777	100.0%
Policy loans and other invested assets	6,302		9,717		9,874		9,712		9,733	
Short Term	-		-		-		-		-	
Cash and cash equivalents	104,462		264,046		40,451		55,802		70,546	
TOTAL - Cash and Investments	355,955		494,772		290,058		348,026		362,056	
Summary										
Fixed Maturity Securities										
Inv Grade	244,175	99.6%	219,846	99.5%	238,527	99.5%	281,391	99.6%	280,748	99.6%
Non Inv Grade	1,016	0.4%	1,164	0.5%	1,205	0.5%	1,122	0.4%	1,029	0.4%
TOTAL	245,191	100.0%	221,009	100.0%	239,732	100.0%	282,513	100.0%	281,777	100.0%

Universal American Corp.
Fixed Maturity Holdings (continuing operations)

CUSIP	Description	GAAP Categories	Stated Coupon	Mat	December 31, 2016			Unr G/(L)	Credit Rating		
					Par Value	Book Value	Market Value		Moody	S&P	Fitch
00084DAE0	ABN AMRO BANK NV	Foreign Corporate Bonds	4.25	2/2/17	1,000	1,000	1,002	2	A1	A	A+
61747YDT9	MORGAN STANLEY	Corporate Bonds	4.75	3/22/17	250	250	252	2	A3	BBB+	A
155674HU1	CENTRAL UT WTR CONSERVANCY	Muni Bonds Non-Taxable	2.50	4/1/17	200	200	201	0	NR	AA+	AAA
637432HT5	NATIONAL RURAL UTIL COOP	Corporate Bonds	5.45	4/10/17	2,500	2,500	2,528	29	A1	A	A+
39102AA9	WALGREEN CO	MBS	7.49	5/15/17	12	12	12	(0)	--	--	--
181059PB6	CLARK CNTY NEV SCH DIST	Muni Bonds Non-Taxable	5.00	6/15/17	1,250	1,266	1,272	6	A1	AA-	A+
646136E56	NEW JERSEY ST TRANSPRTN TRUST	Muni Bonds Non-Taxable	5.00	6/15/17	700	708	710	2	A3	BBB+	A-
39101AA0	WALGREEN CO	MBS	7.49	8/15/17	21	21	21	(0)	--	--	--
38144LAB6	GOLDMAN SACHS GROUP INC	Corporate Bonds	6.25	9/1/17	650	657	670	13	A3	BBB+	A
457187AA0	INGREDION INC	Corporate Bonds	1.80	9/25/17	200	200	200	0	Baa2	BBB	BBB
240523WS5	DE KALB CNTY GA WTR & SWR	Muni Bonds Non-Taxable	5.00	10/1/17	750	767	772	5	Aa3	A+	NR
3128GVM7	FHLMC	MBS	5.50	10/1/17	7	7	7	0	Aaa	AA+	AAA
010392DZ8	ALABAMA POWER CO	Corporate Bonds	5.50	10/15/17	1,500	1,501	1,550	49	A1	A-	A+
26882PBB7	ERAC USA FINANCE COMPANY	Corporate Bonds	6.38	10/15/17	1,500	1,524	1,554	30	Baa1	BBB+	NR
31294KL86	FHLMC	MBS	5.50	11/1/17	5	5	5	0	Aaa	AA+	AAA
46513AMH0	STATE OF ISRAEL	Foreign Government Bonds	2.50	11/1/17	25	25	25	0	A1	A+	A+
3137A7JUS	FREDDIE MAC	CMBS	3.88	11/25/17	2,600	2,597	2,644	46	Aaa	AA+	AAA
912828UA6	US TREASURY NIB	US Government	0.63	11/30/17	535	533	534	1	Aaa	AA+	AAA
46513AMJ6	STATE OF ISRAEL	Foreign Government Bonds	2.39	12/1/17	25	25	25	0	--	--	--
06739GAE9	BARCLAYS BANK PLC	Foreign Corporate Bonds	6.05	12/4/17	2,800	2,813	2,893	80	Baa3	BBB-	A-
31364HDD6	FANNIE MAE STRIP	CMO	9.50	1/25/18	0	0	0	0	Aaa	AA+	AAA
796237TW5	SAN ANTONIO TEX	Muni Bonds Non-Taxable	5.00	2/1/18	780	799	813	13	Aaa	AAA	AAA
31400RZW4	FNMA	MBS	5.00	3/1/18	15	15	15	0	Aaa	AA+	AAA
98310WAK4	WYNDHAM WORLDWIDE	Corporate Bonds	2.50	3/1/18	475	475	479	4	Baa3	BBB-	BBB-
912828J68	US TREASURY NIB	US Government	1.00	3/15/18	120	120	120	0	Aaa	AA+	AAA
105340AL7	BRANDYWINE OPER PARTNERS	Corporate Bonds	4.95	4/15/18	850	849	879	30	Baa3	BBB-	BBB-
842434CD2	SOUTHERN CALIF GAS CO	Corporate Bonds	5.45	4/15/18	2,000	2,001	2,096	95	Aa2	A+	AA-
912828K25	US TREASURY NIB	US Government	0.75	4/15/18	1,550	1,548	1,545	(3)	Aaa	AA+	AAA
01728AX27	ALLEGHENY CNTY PA HOSP DEV	Muni Bonds Non-Taxable	5.00	5/15/18	1,900	1,958	1,995	37	Aa3	A+	AA-
84603MXU5	SOVEREIGN BANK	Corporate Bonds	8.75	5/30/18	5,550	5,729	5,973	245	Baa2	BBB	WD
3599002F3	FULTON COUNTY GA	Muni Bonds Non-Taxable	4.00	6/1/18	1,000	1,022	1,037	15	A1	NR	NR
50825JIE7	LAKE CNTY FL SCH BRD	Muni Bonds Non-Taxable	5.00	6/1/18	500	517	525	8	NR	A	A+
808513AJ4	SCHWAB CHARLES CORP	Corporate Bonds	2.20	7/25/18	250	250	252	2	A2	A	A
107889RS8	BRICK TWP NJ	Muni Bonds Non-Taxable	3.00	8/15/18	500	513	514	0	Aa2	NR	NR
06367TJW1	BANK OF MONTREAL	Foreign Corporate Bonds	1.35	8/28/18	1,700	1,700	1,692	(8)	Aa3	A+	AA-
912828C23	US TREASURY NIB	US Government	0.75	8/31/18	1,645	1,642	1,635	(7)	Aaa	AA+	AAA
84756NAC3	SPECTRA ENERGY PARTNERS	Corporate Bonds	2.95	9/25/18	50	50	51	1	Baa2	BBB	BBB
837004BY5	SOUTH CAROLINA ELEC & GAS	Corporate Bonds	5.25	11/1/18	2,000	2,000	2,126	126	A3	A	A-
585515AE9	MELLON FUNDING CORP	Corporate Bonds	5.50	11/15/18	1,000	999	1,067	68	A2	A-	A+
950188JN9	MERRILL LYNCH & CO	Corporate Bonds	6.88	11/15/18	1,500	1,528	1,631	103	Baa1	BBB+	A
59259YK1	MET TRANSPRTN AUTH NY	Muni Bonds Non-Taxable	3.00	11/15/18	835	852	860	9	A1	AA-	A
44987CAJ7	ING BANK NV	Foreign Corporate Bonds	2.00	11/26/18	800	807	800	(7)	A1	A	A+
791526BK1	ST LOUIS CNTY MO SPL OBLIG	Muni Bonds Non-Taxable	5.00	12/1/18	750	792	802	11	Aa1	AA	NR
20825CAR5	CONOCOPHILLIPS	Corporate Bonds	5.75	2/1/19	250	269	269	(0)	Baa2	A-	A-
1845404B5	CLEAR CREEK TX INDEP SCH DIST	Muni Bonds Non-Taxable	5.00	2/15/19	1,065	1,152	1,142	(10)	NR	AAA	AAA
64990EL47	NEW YORK ST DORM AUTH ST	Muni Bonds Taxable	4.00	2/15/19	820	870	865	(5)	--	NR	--
64990EN94	NEW YORK ST DORM AUTH ST	Muni Bonds Taxable	4.00	2/15/19	1,205	1,274	1,272	(2)	Aa1	AAA	--
60688XAC4	MIZUHO BANK LTD	Foreign Corporate Bonds	2.45	4/16/19	1,375	1,396	1,381	(16)	A1	A	NR
81721MAJ8	SENIOR HOUSING PROP TRUST	Corporate Bonds	3.25	5/1/19	275	275	276	1	Baa3	BBB-	NR
90520EAF8	UNION BANK NA	Corporate Bonds	2.25	5/6/19	300	300	300	1	A2	A+	A
796242RL1	SAN ANTONIO TX ARPT SYS	Muni Bonds Taxable	3.50	7/1/19	450	462	466	4	A1	A+	A
977123ZU5	WISCONSIN ST TRANSPRTN	Muni Bonds Taxable	5.00	7/1/19	775	831	842	11	Aa2	AA+	AA+
69353REX2	PNC BANK NA	Corporate Bonds	1.45	7/29/19	1,250	1,248	1,233	(15)	A2	A	A+
87165BAB9	SYNCHRONY FINANCIAL	Corporate Bonds	3.00	8/15/19	725	724	734	10	NR	BBB-	BBB-
49118NEB7	KENTUCKY ST ASSET/LIABILITY CO	Muni Bonds Non-Taxable	5.00	9/1/19	1,150	1,231	1,244	14	A2	AA	A+
20451PKN5	COMPASS BANK	Corporate Bonds	2.75	9/29/19	1,050	1,049	1,044	(4)	Baa3	BBB+	BBB+
913017CF4	UNITED TECHNOLOGIES CORP	Corporate Bonds	1.50	11/1/19	1,250	1,249	1,241	(8)	A3	A-	A-
912828G95	US TREASURY NIB	US Government	1.63	12/31/19	1,000	997	1,005	7	Aaa	AA+	AAA
22546QAD9	CREDIT SUISSE NEW YORK	Foreign Corporate Bonds	5.40	1/14/20	250	251	268	17	Baa3	BBB	BBB+
46625HKAT	JP MORGAN CHASE & CO	Corporate Bonds	2.25	1/23/20	3,700	3,739	3,691	(48)	A3	A-	A+
17305EE1	CITIBANK CREDIT CARD ISSUANCE	ABS	5.35	2/7/20	1,500	1,543	1,564	20	Aaa	AAA	AAA
521768ZQ3	LEAGUE CITY TX	Muni Bonds Non-Taxable	5.00	2/15/20	650	719	717	(2)	Aa2	AA	NR
521768Z38	LEAGUE CITY TX	Muni Bonds Non-Taxable	5.00	2/15/20	475	525	522	(3)	Aa2	AA	NR
20030NBA8	COMCAST CORP	Corporate Bonds	5.15	3/1/20	1,650	1,832	1,801	(31)	A3	A-	A-
233851BV5	DAIMLER FINANCE NA LLC	Corporate Bonds	2.45	5/18/20	1,070	1,098	1,068	(30)	A3	A	A-
22303QAL4	COVIDIEN INTL FINANCE SA	Foreign Corporate Bonds	4.20	6/15/20	10	10	11	1	A3	A	WD
29379VAP8	ENTERPRISE PRODUCTS	Corporate Bonds	5.20	9/1/20	650	675	710	35	Baa1	BBB+	BBB+
484890KM9	KANSAS CITY MO ARPT	Muni Bonds Non-Taxable	5.00	9/1/20	1,000	1,067	1,102	36	A2	A+	NR
268317AN4	ELECTRICITE DE FRANCE	Foreign Corporate Bonds	2.35	10/13/20	1,725	1,721	1,709	(13)	A3	A-	A-
3137A6B27	FREDDIE MAC	CMBS	4.33	10/25/20	375	376	404	28	Aaa	AA+	AAA
3137B6ZM6	FREDDIE MAC MULTIFAMILY STRUCT	CMO	3.03	11/23/20	400	404	413	9	Aaa	AA+	AAA
172967KB6	CITIGROUP INC	Corporate Bonds	2.65	10/26/20	1,475	1,504	1,476	(28)	Baa1	BBB+	A
912828L9B	US TREASURY NIB	US Government	1.38	10/31/20	1,000	990	988	(2)	Aaa	AA+	AAA
50188FAD7	LG&E & KU ENERGY LLC	Corporate Bonds	3.75	11/15/20	475	460	494	34	Baa1	BBB+	WD
166764AY6	CHEVRON CORP	Corporate Bonds	2.42	11/17/20	250	250	252	2	Aa2	AA-	NR
247361Z44	DELTA AIR LINES	Corporate Bonds	4.95	11/23/20	188	188	197	9	A1	A	NR
083023MM0	BENTON CNTY WASH SCH DIST	Muni Bonds Non-Taxable	4.00	12/1/20	800	846	866	20	Aa1	NR	NR
495278N74	KING CNTY WA SCH DIST	Muni Bonds Non-Taxable	4.00	12/1/20	825	902	894	(7)	Aa1	AA+	NR
40429CGD8	HSBC FINANCE CORP	Corporate Bonds	6.68	1/15/21	1,300	1,464	1,461	(2)	Baa2	A-	A
912828N89	US TREASURY NIB	US Government	1.38	1/31/21	500	501	492	(9)	Aaa	AA+	AAA
40414LAD1	HCP INC	Corporate Bonds	5.38	2/1/21	1,000	1,006	1,092	87	Baa2	BBB	BBB
855244AJ8	STARBUCKS CORP	Corporate Bonds	2.10	2/4/21	25	25	25	(0)	A2	A	A
59156RAX6	METLIFE INC	Corporate Bonds	4.75	2/8/21	250	250	272	22	A3	A-	A-
00206RCZ3	AT&T INC	Corporate Bonds	4.60	2/15/21	1,325	1,399	1,401	3	Baa1	BBB+	A-
478160BS2	JOHNSON & JOHNSON	Corporate Bonds	1.65	3/1/21	200	200	197	(3)	Aaa	AAA	AAA
56585AAD4	MARATHON PETROLEUM CORP	Corporate Bonds	5.13	3/1/21	100	101	109	8	Baa2	BBB	BBB
494550BT2	KINDER MORGAN ENER PART	Corporate Bonds	3.50	3/1/21	925	954	939	(15)	Baa3	BBB-	BBB-
48203RAF1	JUNIPER NETWORKS INC	Corporate Bonds	4.60	3/15/21	275	275	294	20	Baa2	BBB	NR
91324PCU4	UNITEDHEALTH GROUP INC	Corporate Bonds	2.13	3/15/21	1,775	1,801	1,754	(47)	A3	A+	A-
638612AK7	NATIONWIDE FINANCIAL SER	Corporate Bonds	5.38	3/25/21	800	798	874	76	Baa1	BBB+	WD
437076BL5	HOME DEPOT INC	Corporate Bonds	2.00	4/1/21	100	100	99	(0)	A2	A	A
29379VBK8	ENTERPRISE PRODUCTS	Corporate Bonds	2.85	4/15/21	600	619	605	(14)	Baa1	BBB+	BBB+
912828Q78	US TREASURY NIB	US Government	1.38	4/30/21	9,000	9,092	8,829	(263)	Aaa	AA+	AAA
02209SAL7	ALTRIA GROUP INC	Corporate Bonds	4.75	5/2/21	650	649	708	60	A3	A-	BBB+
166764BG4	CHEVRON CORP	Corporate Bonds	2.10	5/16/21	1,800	1,823	1,785	(39)	Aa2	AA-	NR
3138EJRP5	FNMA	MBS	4.38	6/1/21	89	96	96	(0)	Aaa	AA+	AAA
92276MAW5	VENTAS REALTY LP/CAP CRP	Corporate Bonds	4.75	6/1/21	475	473	511	38	Baa1	BBB+	BBB+
377738AL2	FISERV INC	Corporate Bonds	4.75	6/15/21	475	474	511	37	Baa2	BBB	NR
84756NAB5	SPECTRA ENERGY PARTNERS	Corporate Bonds	4.60	6/15/21	750	814	800	(14)	Baa2	BBB	BBB

Universal American Corp.
Fixed Maturity Holdings (continuing operations)

		December 31, 2016									
CUSIP	Description	GAAP Categories	Coupon	Stated Mat	Par	Book	Market	Unr	Credit Rating		
					Value	Value	Value	G/(L)	Moody	S&P	Fitch
31381RL6	FNMA	MBS	3.84	7/1/21	191	196	202	6	Aaa	AA+	AAA
871829BA4	SYSCO CORPORATION	Corporate Bonds	2.50	7/15/21	25	25	25	(0)	A3	BBB+	NR
31620MAS5	FIDELITY NATIONAL INFORM	Corporate Bonds	2.25	8/15/21	275	275	268	(7)	Baa3	BBB	BBB
26441CAR6	DUKE ENERGY CORP	Corporate Bonds	1.80	9/1/21	200	200	193	(7)	Baa1	BBB+	BBB+
31381RDH4	FNMA	MBS	4.01	9/1/21	184	190	196	6	Aaa	AA+	AAA
00913RAB2	AIR LIQUIDE FINANCE	Foreign Corporate Bonds	1.75	9/27/21	1,875	1,865	1,800	(65)	A3	A-	NR
349553AJ6	FORTIS INC	Foreign Corporate Bonds	2.10	10/4/21	1,150	1,147	1,111	(36)	Baa3	BBB+	NR
081437AH8	BEMIS COMPANY INC	Corporate Bonds	4.50	10/15/21	2,000	2,006	2,127	121	Baa2	BBB	NR
742718EQ8	PROCTER & GAMBLE CO/THE	Corporate Bonds	1.70	11/3/21	1,150	1,148	1,130	(17)	Aa3	AA-	NR
718172AL3	PHILIP MORRIS INTL INC	Corporate Bonds	2.90	11/15/21	75	76	76	0	A2	A	A
57639QAF1	MASTERCARD INC	Corporate Bonds	2.00	11/21/21	1,925	1,914	1,909	(6)	A2	A	NR
26884AAZ6	ERP OPERATING LP	Corporate Bonds	4.63	12/15/21	239	256	260	4	Baa1	A-	A-
89233P5T9	TOYOTA MOTOR CREDIT CORP	Corporate Bonds	3.00	11/2/22	500	499	517	18	Aa3	AA-	A
3137EAOB2	FREDDIE MAC	US Government	2.38	11/3/22	500	513	508	(5)	Aaa	AA+	AAA
90351DAH0	UBS GROUP FUNDING	Foreign Corporate Bonds	2.65	2/1/22	1,950	1,952	1,895	(57)	Baa1	A-	A
30231GAJ1	EXXON MOBIL CORP	Corporate Bonds	2.40	3/6/22	1,225	1,230	1,219	(11)	Aaa	AA+	--
404280AN9	HSBC HOLDINGS PLC	Foreign Corporate Bonds	4.00	3/30/22	225	235	233	(2)	A1	A	AA-
68389XB0	ORACLE CORP	Corporate Bonds	2.50	5/15/22	1,925	1,896	1,912	16	A1	AA-	A+
26441YAV9	DUKE REALTY LP	Corporate Bonds	4.38	6/15/22	1,500	1,493	1,599	105	Baa1	BBB+	BBB+
23317HAA0	DDR CORP	Corporate Bonds	4.63	7/15/22	525	542	556	14	Baa2	BBB-	BBB-
90131HAR6	21ST CENTURY FOX AMERICA	Corporate Bonds	3.00	9/15/22	450	445	448	3	Baa1	BBB+	BBB+
31373BN95	FREDDIE MAC MULTIFAMILY STRUCT	CMBS	2.78	9/25/22	155	157	159	2	Aaa	AA+	AAA
614810AB5	MONTPELIER RE HOLDINGS L	Foreign Corporate Bonds	4.70	10/15/22	1,500	1,497	1,569	72	NR	BBB+	WD
756109AN4	REALITY INCOME CORP	Corporate Bonds	3.25	10/15/22	225	222	227	5	Baa1	BBB+	BBB+
06051GFZ7	BANK OF AMERICA CORP	Corporate Bonds	2.50	10/21/22	325	325	314	(11)	Baa1	BBB+	A
254709AJ7	DISCOVER FINANCIAL SVS	Corporate Bonds	3.85	11/21/22	425	431	431	0	Ba1	BBB-	BBB-
3137B1UG5	FREDDIE MAC	CMBS	2.64	1/25/23	700	709	707	(2)	Aaa	AA+	AAA
09256BAD9	BLACKSTONE HOLDINGS FINA	Corporate Bonds	4.75	2/15/23	275	298	294	(4)	NR	A+	A+
17275RBE1	CISCO SYSTEMS INC	Corporate Bonds	2.60	2/28/23	2,025	2,085	2,010	(75)	A1	AA-	NR
44107TAT3	HOST HOTELS & RESORTS	Corporate Bonds	4.75	3/1/23	450	463	469	6	Baa2	BBB-	BBB
05574LFY9	BNP PARIBAS	Foreign Corporate Bonds	3.25	3/3/23	1,000	1,026	1,009	(17)	A1	A	A+
14987BAE3	CC HOLDINGS GS V LLC	Corporate Bonds	3.85	4/15/23	525	516	534	17	Baa2	BBB	BBB
912828R28	US TREASURY NIB	US Government	1.63	4/30/23	5,000	5,069	4,838	(232)	Aaa	AA+	AAA
3137B4GY6	FREDDIE MAC MULTIFAMILY STRUCT	CMO	3.31	5/25/23	100	100	105	5	Aaa	AA+	AAA
31331FAX9	FEDEX CORP	Corporate Bonds	6.72	7/15/23	454	454	502	48	A3	BBB+	NR
88167AAD3	TEVA PHARMACEUTICALS NE	Foreign Corporate Bonds	2.80	7/21/23	1,475	1,470	1,396	(74)	Baa2	BBB	BBB
3137B5KW2	FREDDIE MAC MULTIFAMILY STRUCT	CMO	3.46	8/25/23	100	100	105	5	Aaa	AA+	AAA
962166BW3	WEYERHAEUSER CO	Corporate Bonds	4.63	9/15/23	2,500	2,498	2,684	186	Baa2	BBB-	NR
449786AY8	ING BANK NV	Foreign Corporate Bonds	5.80	9/25/23	1,500	1,495	1,648	153	Baa2	BBB+	A
03027XAD2	AMERICAN TOWER CORP	Corporate Bonds	5.00	2/15/24	1,000	979	1,077	97	Baa3	BBB-	BBB
369604BG7	GENERAL ELECTRIC CO	Corporate Bonds	3.38	3/1/24	1,175	1,228	1,208	(20)	A1	AA-	AA-
48203RAG9	JUNIPER NETWORKS INC	Corporate Bonds	4.50	3/15/24	950	949	971	23	Baa2	BBB	NR
476556DB8	JERSEY CENTRAL PWR & LT	Corporate Bonds	4.70	4/1/24	250	249	266	17	Baa2	BBB-	WD
13068LWW1	CALIFORNIA ST PUBLIC WKS BRD L	Muni Bonds Taxable	5.00	5/1/24	2,125	2,523	2,497	(26)	A1	A+	A+
81721MAK5	SENIOR HOUSING PROP TRUST	Corporate Bonds	4.75	5/1/24	1,275	1,302	1,281	(22)	Baa3	BBB-	NR
31398CY93	FREDDIE MAC	CMO	4.00	5/15/24	727	755	760	6	Aaa	AA+	AAA
61166WAU5	MONSANTO CO	Corporate Bonds	3.38	7/15/24	1,000	1,009	996	(13)	A3	BBB	A-
31393Y6L4	FANNIE MAE	CMO	5.00	7/25/24	91	90	97	7	Aaa	AA+	AAA
64966LTC5	NEW YORK NY	Muni Bonds Non-Taxable	5.00	8/1/24	1,970	2,352	2,320	(32)	Aa2	AA	AAA
126650CF5	CVS CAREMARK CORP	Corporate Bonds	3.38	8/12/24	1,775	1,866	1,780	(85)	Baa1	BBB+	NR
828807CS4	SIMON PROPERTY GROUP LP	Corporate Bonds	3.38	10/1/24	700	717	707	(10)	A2	A	A
07274EAG8	BAYER US FINANCE LLC	Corporate Bonds	3.38	10/8/24	800	816	796	(20)	A3	A-	NR
931427AH1	WALGREENS BOOTS ALLIANCE	Corporate Bonds	3.80	11/18/24	500	558	560	2	Baa2	BBB	BBB
81618TAC4	SELECT INCOME REIT	Corporate Bonds	4.50	2/1/25	200	197	193	(3)	Baa2	BBB-	NR
037833AZ3	APPLE INC	Corporate Bonds	2.50	2/9/25	1,900	1,818	1,826	8	Aa1	AA+	--
94974BGH7	WELLS FARGO & COMPANY	Corporate Bonds	3.00	2/19/25	2,250	2,180	2,161	(18)	A2	A	AA-
559080AH9	MAGELLAN MIDSTREAM PARTNERS LP	Corporate Bonds	3.20	3/15/25	1,300	1,194	1,264	70	Baa1	BBB+	NR
761713BG0	REYNOLDS AMERICAN INC	Corporate Bonds	4.45	6/12/25	1,675	1,866	1,768	(97)	Baa3	BBB	BBB
161175AY0	CHARTER COMM OPT LLC CAP	Corporate Bonds	4.91	7/23/25	500	505	527	22	Ba1	BBB-	BBB-
458140AS9	INTEL CORP	Corporate Bonds	3.70	7/29/25	1,300	1,338	1,371	33	A1	A+	A+
235851AQ5	DANAHER CORP	Corporate Bonds	3.35	9/15/25	625	655	641	(14)	A2	A	NR
42824CAW9	HP ENTERPRISE CO	Corporate Bonds	4.90	10/15/25	1,300	1,328	1,337	9	Baa2	BBB	A-
594918BJ2	MICROSOFT CORP	Corporate Bonds	3.13	11/3/25	225	225	228	3	Aaa	AAA	AA+
345370BN9	FORD MOTOR COMPANY	Corporate Bonds	7.13	11/3/25	275	319	325	6	Baa2	BBB	BBB
912828M56	US TREASURY NIB	US Government	2.25	11/15/25	2,000	2,112	1,975	(137)	Aaa	AA+	AAA
92826CAD4	VISA INC	Corporate Bonds	3.15	12/14/25	1,200	1,214	1,205	(9)	A1	A+	NR
035242AP1	ANHEUSER BUSCH INBEV FINANCE	Corporate Bonds	3.65	2/1/26	1,750	1,789	1,777	(12)	A3	A-	BBB
037833BY5	APPLE INC	Corporate Bonds	3.25	2/23/26	1,150	1,169	1,151	(18)	Aa1	AA+	NR
718172BT5	PHILIP MORRIS INTL INC	Corporate Bonds	2.75	2/25/26	875	868	841	(27)	A2	A	A
674599CH6	OCCIDENTAL PETROLEUM COR	Corporate Bonds	3.40	4/15/26	1,250	1,314	1,259	(55)	A3	A	A
225433AR2	CRED SUIS GP FUN LTD	Foreign Corporate Bonds	4.55	4/17/26	900	917	935	17	Baa2	BBB+	A-
06406FAC7	BANK OF NY MELLON CORP	Corporate Bonds	2.80	5/4/26	1,000	997	963	(34)	A1	A	AA-
05565QDB1	BP CAPITAL MARKETS PLC	Foreign Corporate Bonds	3.12	5/4/26	1,250	1,285	1,221	(64)	A2	A-	A
067383AE9	CR BARD INC	Corporate Bonds	3.00	5/15/26	2,125	2,125	2,028	(96)	Baa1	A	NR
771196BK7	ROCHE HLDGS INC	Corporate Bonds	2.63	5/15/26	1,800	1,783	1,731	(52)	A1	AA	AA
60871RAG5	MOLSON COORS BREWING CO	Corporate Bonds	3.00	7/15/26	200	191	189	(2)	Baa3	BBB-	BBB-

Universal American Corp.
 Fixed Maturity Holdings (continuing operations)

		December 31, 2016									
CUSIP	Description	GAAP Categories	Stated		Par Value	Book Value	Market Value	Unr G/(L)	Credit Rating		
			Coupon	Mat					Moody	S&P	Fitch
31283GUL9	FHLMC	MBS	6.00	8/1/26	1	1	1	0	Aaa	AA+	AAA
92343VDD3	VERIZON COMMUNICATIONS	Corporate Bonds	2.63	8/15/26	1,350	1,258	1,243	(15)	Baa1	BBB+	A-
822582BX9	SHELL INTERNATIONAL FIN	Foreign Corporate Bonds	2.50	9/12/26	950	899	891	(8)	Aa2	A	AA-
606822AJ3	MITSUBISHI UFJ FIN GRP	Foreign Corporate Bonds	2.76	9/13/26	1,750	1,656	1,644	(12)	A1	A	A
06051GFL8	BANK OF AMERICA CORP	Corporate Bonds	4.25	10/25/26	500	500	506	6	Baa3	BBB	A-
949746SH5	WELLS FARGO & COMPANY	Corporate Bonds	3.00	10/23/26	300	299	286	(13)	A2	A	AA-
278865AV2	ECOLAB INC	Corporate Bonds	2.70	11/1/26	1,025	1,022	976	(46)	Baa1	A-	NR
452308AX7	ILLINOIS TOOL WORKS INC	Corporate Bonds	2.65	11/15/26	1,250	1,246	1,195	(51)	A2	A+	NR
172967KA8	CITIGROUP INC	Corporate Bonds	4.45	9/29/27	400	400	406	6	Baa3	BBB	A-
86386MAY0	STUDENT LOAN CONSOLIDATION CEN	ABS	1.98	10/25/27	562	569	556	(13)	Aa1	AA+	NR
55616XAC1	MACYS RETAIL HLDGS INC	Corporate Bonds	7.00	2/15/28	1,550	1,837	1,771	(65)	Baa2	BBB	BBB
92903PAAT	VORNADO DP LLC	CMBS	2.97	9/13/28	676	676	689	14	NR	AAA	AAA
762315NR6	RHODE ISLAND ST STUDENT LN	ABS	1.32	10/2/28	785	785	773	(12)	NR	AA+	AAA
31292GXH4	FHLMC	MBS	6.00	11/1/28	11	11	13	2	Aaa	AA+	AAA
36210A3B1	GNMA	MBS	7.00	2/15/29	21	21	23	2	Aaa	AA+	AAA
015271AG4	ALEXANDRIA REAL ESTATE E	Corporate Bonds	4.50	7/30/29	475	475	475	1	Baa2	BBB-	NR
10620NCG1	BRAZO HIGHER EDUCATION	ABS	1.72	2/25/30	603	599	603	4	NR	AAA	AAA
61205PAK5	MONTANA HIGHER EDUCATION STUDE	ABS	1.56	5/20/30	141	143	141	(2)	NR	AAA	AAA
31339M89	FREDDIE MAC	CMO	6.50	7/15/31	186	182	211	29	Aaa	AA+	AAA
313920XA3	FANNIE MAE	CMO	6.50	9/25/31	31	30	34	4	Aaa	AA+	AAA
961214DF7	WESTPAC BANKING CORP	Foreign Corporate Bonds	4.32	11/23/31	950	950	953	3	A3	BBB+	A+
31388XBUT	FNMA	MBS	6.50	1/1/32	7	7	8	1	Aaa	AA+	AAA
31385JEG9	FNMA	MBS	6.00	5/1/32	23	23	26	3	Aaa	AA+	AAA
31371KTA9	FNMA	MBS	5.50	8/1/32	10	10	11	1	Aaa	AA+	AAA
36200KKH9	GNMA	MBS	5.50	1/15/33	102	102	115	13	Aaa	AA+	AAA
452151FH8	ILLINOIS ST	Muni Bonds Non-Taxable	5.10	6/1/33	1,600	1,579	1,414	(165)	Baa2	BBB	BBB+
31402EQ35	FNMA	MBS	4.50	7/1/33	1	1	1	0	Aaa	AA+	AAA
31385XM87	FNMA	MBS	4.50	10/1/33	48	52	52	0	Aaa	AA+	AAA
31402UR87	FNMA	MBS	4.50	10/1/33	46	49	49	0	Aaa	AA+	AAA
31403FPC2	FNMA	MBS	4.50	10/1/33	24	26	26	0	Aaa	AA+	AAA
31296SR32	FHLMC	MBS	5.50	1/1/34	72	72	80	8	Aaa	AA+	AAA
31417LUG8	FNMA	MBS	4.50	6/1/34	289	309	312	3	Aaa	AA+	AAA
36242DCA9	GSR MORTGAGE LOAN TRUST	CMO	3.06	8/25/34	301	26	93	66	NR	NR	D
31283H4Z5	FHLMC	MBS	5.50	12/1/34	58	61	64	3	Aaa	AA+	AAA
31405QUE6	FNMA	MBS	5.50	12/1/34	104	104	116	12	Aaa	AA+	AAA
31406Y4L1	FNMA	MBS	5.50	5/1/35	160	160	179	19	Aaa	AA+	AAA
31418MFF4	FNMA	MBS	4.50	9/1/35	388	416	419	4	Aaa	AA+	AAA
31410XQL3	FNMA	MBS	6.00	9/1/36	82	81	93	12	Aaa	AA+	AAA
64033GAA9	NELNET STUDENT LOAN TRUST	ABS	1.39	1/25/37	273	272	268	(3)	Aaa	NR	AAA
31412XZQ6	FNMA	MBS	6.00	7/1/37	967	964	1,105	141	Aaa	AA+	AAA
31410KME1	FNMA	MBS	4.50	9/1/37	173	186	187	2	Aaa	AA+	AAA
312934CX8	FHLMC	MBS	4.00	7/1/39	103	107	109	2	Aaa	AA+	AAA
31417MS61	FNMA	MBS	5.00	9/1/39	234	240	260	21	Aaa	AA+	AAA
3128M7S80	FHLMC	MBS	4.00	10/1/39	293	294	309	15	Aaa	AA+	AAA
31417TL55	FNMA	MBS	4.50	12/1/39	74	77	81	4	Aaa	AA+	AAA
31417WSM4	FNMA	MBS	4.50	1/1/40	300	313	326	13	Aaa	AA+	AAA
3620AQ7C1	GNMA	MBS	5.00	4/15/40	97	103	106	3	Aaa	AA+	AAA
312941TK3	FHLMC	MBS	4.00	8/1/40	121	126	128	2	Aaa	AA+	AAA
36241LL38	GNMA	MBS	4.00	8/15/40	106	109	112	3	Aaa	AA+	AAA
312942F83	FHLMC	MBS	4.00	9/1/40	206	215	219	4	Aaa	AA+	AAA
31416WTT9	FNMA	MBS	4.00	9/1/40	24	24	25	2	Aaa	AA+	AAA
31418PCP8	FNMA	MBS	5.00	9/1/40	55	58	61	2	Aaa	AA+	AAA
31418W6Y1	FNMA	MBS	5.00	9/1/40	68	71	74	3	Aaa	AA+	AAA
31418W7J3	FNMA	MBS	5.00	9/1/40	26	28	29	1	Aaa	AA+	AAA
31419EU80	FNMA	MBS	5.00	9/1/40	50	52	55	3	Aaa	AA+	AAA
312943EE9	FHLMC	MBS	5.00	10/1/40	351	371	384	14	Aaa	AA+	AAA
31419DV99	FNMA	MBS	4.00	10/1/40	71	70	75	5	Aaa	AA+	AAA
31419GP57	FNMA	MBS	4.50	10/1/40	102	106	111	5	Aaa	AA+	AAA
312943LY7	FHLMC	MBS	4.00	11/1/40	39	41	42	1	Aaa	AA+	AAA
31419GGF5	FNMA	MBS	4.00	11/1/40	48	48	51	3	Aaa	AA+	AAA
31419K5J0	FNMA	MBS	4.00	11/1/40	55	55	59	4	Aaa	AA+	AAA
31419KP66	FNMA	MBS	4.00	11/1/40	11	11	11	1	Aaa	AA+	AAA
31419KP74	FNMA	MBS	4.00	11/1/40	12	12	12	1	Aaa	AA+	AAA
3138A16N6	FNMA	MBS	4.00	12/1/40	17	17	18	1	Aaa	AA+	AAA
3138A1KB6	FNMA	MBS	4.00	12/1/40	21	21	22	1	Aaa	AA+	AAA
3138A1ND9	FNMA	MBS	4.00	12/1/40	34	34	36	2	Aaa	AA+	AAA
3138A1RM5	FNMA	MBS	4.00	12/1/40	13	13	14	1	Aaa	AA+	AAA
3138A2DN6	FNMA	MBS	4.00	12/1/40	13	12	13	1	Aaa	AA+	AAA
3138A2GJ2	FNMA	MBS	4.50	12/1/40	490	502	528	26	Aaa	AA+	AAA
3138A2PX1	FNMA	MBS	4.00	12/1/40	26	26	28	2	Aaa	AA+	AAA
3138A2U72	FNMA	MBS	4.00	12/1/40	13	13	14	1	Aaa	AA+	AAA
3138A3AE7	FNMA	MBS	4.00	12/1/40	20	20	22	1	Aaa	AA+	AAA
31419JA65	FNMA	MBS	4.00	12/1/40	17	17	18	1	Aaa	AA+	AAA
31419K3D5	FNMA	MBS	4.00	12/1/40	23	22	24	2	Aaa	AA+	AAA
3138A7HY7	FNMA	MBS	3.50	2/1/41	117	112	120	8	Aaa	AA+	AAA
3138EGEV2	FNMA	MBS	4.00	4/1/41	715	710	758	49	Aaa	AA+	AAA
3138EKW35	FNMA	MBS	6.00	5/1/41	149	163	169	5	Aaa	AA+	AAA
3128M8VG6	FHLMC	MBS	4.00	6/1/41	560	585	594	9	Aaa	AA+	AAA
3138ANCX9	FNMA	MBS	4.00	8/1/41	969	1,012	1,027	15	Aaa	AA+	AAA
3132GKS49	FHLMC GOLD	MBS	3.50	11/1/41	172	181	177	(5)	Aaa	AA+	AAA
3138AW3K7	FNMA	MBS	4.00	11/1/41	324	336	342	6	Aaa	AA+	AAA
3138E1ND5	FNMA	MBS	4.00	12/1/41	2,585	2,727	2,730	3	Aaa	AA+	AAA
3132HM5D9	FHLMC	MBS	3.50	10/1/42	63	67	65	(2)	Aaa	AA+	AAA
3132HPRZ9	FHLMC	MBS	3.00	11/1/42	619	642	620	(22)	Aaa	AA+	AAA
3138MR9Y6	FNMA	MBS	3.50	1/1/43	703	748	724	(24)	Aaa	AA+	AAA
3138W1U70	FNMA	MBS	3.50	2/1/43	476	506	491	(15)	Aaa	AA+	AAA
3132J7TM4	FHLMC	MBS	3.00	3/1/43	144	149	144	(5)	Aaa	AA+	AAA
31417FSB0	FNMA	MBS	3.50	4/1/43	403	429	417	(12)	Aaa	AA+	AAA
31418AR26	FNMA	MBS	3.50	4/1/43	385	408	396	(13)	Aaa	AA+	AAA
744320AM4	PRUDENTIAL FINANCIAL INC HYB	Corporate Bonds	5.63	6/15/43	2,500	2,500	2,597	97	Baa2	BBB+	BBB
92935VAG3	WF RBS COMMERCIAL MORTGAGE TRU	CMBS	4.38	3/15/44	4,626	4,886	4,963	77	Aaa	NR	AAA
00389VAA0	ACADEMIC LOAN FUNDING TRUST	ABS	1.56	12/26/44	331	339	328	(10)	Aaa	NR	AAA
61759LAA6	MORGAN STANLEY REREMIC TRUST	CMBS	5.79	8/15/45	761	763	763	0	Aaa	NR	AAA
36179RTA7	GNMA	MBS	4.00	11/20/45	421	448	448	1	Aaa	AA+	AAA
12591RAX8	COMM MORTGAGE TRUST	CMBS	2.93	2/10/47	770	782	785	3	Aaa	--	--
12591VAE1	COMMERCIAL MORTGAGE PASS THROU	CMO	4.05	4/10/47	1,600	1,796	1,698	(99)	NR	AAA	AAA
46629YAD1	JP MORGAN CHASE COMMERCIAL MORTG	CMBS	5.43	6/12/47	564	564	564	(0)	Aaa	AA+	--
12592GBD4	COMM MORTGAGE TRUST	CMO	3.80	8/10/47	3,200	3,545	3,343	(202)	Aaa	NR	AAA
17322YAD2	CITIGROUP COMMERCIAL MORTGAGE	CMO	3.64	10/10/47	1,900	2,070	1,971	(99)	Aaa	NR	AAA
200474BB9	COMMERCIAL MORTGAGE PASS THRU	CMO	2.92	2/10/48	700	706	690	(15)	Aaa	NR	AAA

Universal American Corp.
Fixed Maturity Holdings (continuing operations)

			December 31, 2016					Credit Rating			
CUSIP	Description	GAAP Categories	Stated		Par	Book	Market	Unr	Moody	S&P	Fitch
			Coupon	Mat	Value	Value	Value	G/(L)			
200474BC7	COMM MORTGAGE TRUST	CMO	3.18	2/10/48	400	410	402	(8)	Aaa	NR	AAA
94989CAW1	WFCM	CMO	2.91	2/15/48	600	605	588	(16)	Aaa	NR	AAA
46590JAV9	JPMBB COMMERCIAL MORTGAGE SECU	CMBS	3.33	11/15/48	1,800	1,816	1,814	(2)	Aaa	NR	AAA
92978AA00	WACHOVIA CAP TRUST III	Corporate Bonds	5.57	3/29/49	1,000	864	981	118	Baa2	BBB	BBB
693475AK1	PNC FINANCIAL SERVICES	Corporate Bonds	6.75	7/29/49	942	994	1,014	20	Baa2	BBB-	BBB-
20047RAF0	COMMERCIAL MORTGAGE TRUST	CMBS	5.81	12/10/49	707	718	716	(2)	Aaa	AAA	--
12645CAA7	CREDIT SUISSE MORTGAGE CAPITAL	CMBS	5.78	12/16/49	548	551	549	(2)	Aaa	NR	NR
74930AA55	RBSFCF TRUST	CMBS	6.09	12/16/49	512	515	516	1	Aaa	NR	NR
05955TAC4	BANC OF AMERICA LARGE LOAN	CMBS	5.78	12/24/49	534	539	539	1	NR	NR	AAA
369604BQ5	GENERAL ELECTRIC CO	Corporate Bonds	5.00	12/29/49	592	568	614	47	A3	A	--
749770AQ6	RABOBANK NEDERLAND	Foreign Corporate Bonds	11.00	12/29/49	2,600	3,368	3,056	(312)	Baa2	BBB-	BBB
05955FAA8	BANC OF AMERICA LARGE LOAN	CMO	5.86	6/24/50	170	171	171	(0)	NR	NR	AAA
89352HAC3	TRANS-CANADA PIPELINES	Foreign Corporate Bonds	6.35	5/15/67	2,500	2,494	2,081	(413)	Baa1	BBB	NR
302570AX4	FPL GROUP CAPITAL HYB	Corporate Bonds	6.65	6/15/67	6,000	6,001	5,220	(781)	Baa2	BBB	BBB
					240,518	246,087	245,191	(896)			

Universal American Corp.
Medicare Advantage Membership
As of December 31, 2016

(in thousands)

	<u>December 31, 2016</u>	<u>September 30, 2016</u>	<u>June 30, 2016</u>	<u>March 31, 2016</u>	<u>December 31, 2015</u>	<u>September 30, 2015</u>	<u>September 30, 2015</u>	<u>March 31, 2015</u>	<u>December 31, 2014</u>
<i>Southwest HMO's</i>	69.1	68.8	68.6	68.6	66.6	66.4	66.5	66.9	61.8
<i>Upstate New York/Maine</i>	45.4	45.6	45.3	45.2	40.5	40.2	39.2	37.9	29.7
Core Markets	114.5	114.4	113.9	113.8	107.1	106.6	105.7	104.8	91.5
<i>Non-Core Network (1)</i>	-	-	-	-	-	-	-	-	20.7
<i>Rural (1)</i>	-	-	-	-	-	-	-	-	1.9
Total Membership	114.5	114.4	113.9	113.8	107.1	106.6	105.7	104.8	114.1

(1) - The Company did not renew its non-core network and rural markets for 2015.