

STATE OF INDIANA)
) SS: BEFORE THE INDIANA
COUNTY OF MARION) COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Advantage Health Solutions, Inc.)
9045 River Road, Suite 200)
Indianapolis, Indiana 46240)

Examination of Advantage Health Solutions, Inc.

NOTICE OF ENTRY OF ORDER

Enclosed is the Final Order entered by Stephen W. Robertson, Commissioner of the Indiana Department of Insurance, after fully considering and reviewing the Verified Report of Examination of Advantage Health Solutions, Inc., any relevant examination work papers, and any written submissions or rebuttals. The Verified Report of Examination, as sent to you on February 28, 2014, has been adopted by the Commissioner.

Pursuant to Ind. Code § 27-1-3.1-12(b), within thirty (30) days of receipt of the Final Order, each director of Advantage Health Solutions, Inc. shall file an affidavit with the Indiana Department of Insurance stating that he/she has received a copy of the Verified Report of Examination and the Final Order.

The Final Order is a final administrative decision that may be appealed pursuant to Ind. Code § 4-21.5-5.

April 9, 2014
Date

Cynthia D. Donovan
Cynthia D. Donovan
Chief Financial Examiner

CERTIFIED MAIL NUMBER: 9214 8901 0661 5400 0030 3711 83

STATE OF INDIANA)
) SS: BEFORE THE INDIANA
COUNTY OF MARION) COMMISSIONER OF INSURANCE

IN THE MATTER OF:)
)
Advantage Health Solutions, Inc.)
9045 River Road, Suite 200)
Indianapolis, Indiana)

Examination of Advantage Health Solutions, Inc.

FINDINGS AND FINAL ORDER

The Indiana Department of Insurance conducted an examination into the affairs of the Advantage Health Solutions, Inc. (hereinafter "Company") for the time period January 1, 2010 through December 31, 2012.

The Verified Report of Examination was filed with the Commissioner of the Department of Insurance (hereinafter "Commissioner") by the Examiner on January 28, 2014.

A copy of the Verified Report of Examination, along with a Notice of Opportunity to Make Written Submission or Rebuttal, was mailed to the Company via Certified Mail on February 28, 2014 and was received by the Company on March 3, 2014.

The Company did not file any objections.


NOW THEREFORE, based on the Verified Report of Examination, I hereby make the following **FINDINGS**:

1. That the Verified Report of Examination is a true and accurate report of the financial condition and affairs of the Advantage Health Solutions, Inc. as of December 31, 2012.
2. That the Examiner's Recommendations are reasonable and necessary in order for the Advantage Health Solutions, Inc. to comply with the laws of the State of Indiana.

Based on the FINDINGS, the Commissioner does hereby ORDER:

1. Pursuant to Ind. Code § 27-1-3.1-11(a)(1), the Verified Report of Examination is adopted and shall be filed. Hereafter the Verified Report of Examination, may constitute prima facie evidence of the facts contained therein in any action or proceeding taken by the Indiana Department of Insurance against the Company, its officers, directors, or agents.
2. The Company shall comply with the Examiner's Recommendations enumerated in summary form and throughout the text of the Verified Report of Examination. A written response to these recommendations should be provided to the Department within 30 days of receipt of this order.
3. Compliance with the Examiner's recommendations shall be completed on or before the filing of the subsequent annual statement. In the event it is not feasible to comply with a recommendation before the filing of the subsequent annual statement, the Company shall submit a written explanation as to why it was not feasible with the filing of the annual statement.

Signed and Sealed this 9 day of
April, 2014.



Stephen W. Robertson
Insurance Commissioner
Indiana Department of Insurance

ABOUT AFFIRMATIONS

The following pages for affirmations need to be signed by each Board Member and returned to the Indiana Department of Insurance within thirty (30) days in accordance with I.C. §27-1-3.1-12(b).

If your affirmations list individuals that are no longer on your Board of Directors, you may simply retype the form on plain white paper with the correct names and a line to the right for signature. If the names are misspelled, you may do the same, simply re-type the corrected form with a line to the right for signature.

Should you have any questions or difficulties with these forms or you require additional time past the thirty (30) day requirement, please do not hesitate to contact this department at (317) 232-2390.

A handwritten signature in dark ink, appearing to read "Richard W. [unclear]". The signature is written in a cursive style and is located in the lower-left quadrant of the page.

STATE OF INDIANA
Department of Insurance
REPORT OF EXAMINATION
OF

ADVANTAGE HEALTH SOLUTIONS, INC.
NAIC Co. CODE 52568

As of

December 31, 2012

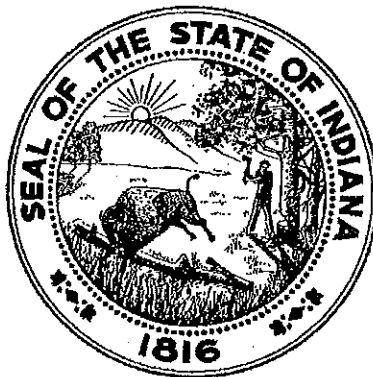


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STATE OF INDIANA

MICHAEL R. PENCE, Governor

IDOI

INDIANA DEPARTMENT OF INSURANCE
311 W. WASHINGTON STREET, SUITE 300
INDIANAPOLIS, INDIANA 46204-2787
TELEPHONE: (317) 232-2385
FAX: (317) 232-5251

Stephen W. Robertson, Commissioner

January 28, 2014

Honorable Stephen W. Robertson, Commissioner
Indiana Department of Insurance
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

Dear Commissioner:

Pursuant to the authority vested in Appointment Number 3754, an examination has been made of the affairs and financial condition of:

Advantage Health Solutions, Inc.
9045 River Road, Suite 200
Indianapolis, Indiana 46240

hereinafter referred to as the "Company", or "Advantage", an Indiana health maintenance organization (HMO). The examination was conducted at the Advantage Health Solutions, Inc., office in Indianapolis, Indiana.

The Report of Examination, reflecting the status of the Company as of December 31, 2012, is hereby respectfully submitted.

ACCREDITED BY THE
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

REGULATORY SERVICES
(317) 232-2413

COMPANY COMPLIANCE
(317) 233-0697

CONSUMER SERVICES
(317) 232-2395
In-State 1-800-622-4461

EXAMINATIONS / FINANCIAL SERVICES
(317) 232-2390

MEDICAL MALPRACTICE
(317) 232-2402

SECURITIES / COMPANY RECORDS
(317) 232-1991

SCOPE OF EXAMINATION

The Company was last examined by representatives of the Indiana Department of Insurance (INDOI) as of the period ending December 31, 2009. The present risk-focused examination was conducted by Noble Consulting Services, Inc., (Noble) and covered the period from January 1, 2010 through December 31, 2012, and included any material transactions and/or events occurring subsequent to the examination date and noted during the course of this examination.

The examination was conducted in accordance with the NAIC *Financial Condition Examiners Handbook* (the Handbook). The Handbook requires that we plan and perform the examination to evaluate the financial condition and identify prospective risks of the Company by obtaining information about the Company, including corporate governance, identifying and assessing inherent risks within the Company, and evaluating system controls and procedures used to mitigate those risks. An examination also includes assessing the principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with Statutory Accounting Principles, and Annual Statement instructions, when applicable to domestic state regulations

Merlinos & Associates, Inc., was appointed by the INDOI to conduct a review of the Company's statutory reserves as of December 31, 2012. There were no actuarial adjustments resulting from this review.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process.

HISTORY

Advantage is a for-profit corporation licensed by the INDOI to offer pre-paid health care benefits throughout the state of Indiana. The Company is an HMO founded by four (4) Catholic health care systems to both serve and capitalize upon the growing number of employers in the public sector in Indiana that seek to control health care costs and manage employee health benefit plans through the offering of managed care products.

In January 1995, Sagamore Health Network (SHN) was granted a Certificate of Authority to offer a prepaid health plan in Indiana. During 1999, the four (4) shareholders of SHN determined that the HMO would be best served as a separate entity with distinct management, operating boards, and business plan. Subsequently, in January 2000, Sagamore Advantage HMO, Inc., was incorporated in the state of Indiana with the authority to issue 20,000 shares of no par common stock. The Company was granted a Certificate of Authority to operate as an HMO in April 2000. Effective January 1, 2001, the corporate name was changed to Advantage Health Plan, Inc. A second name change occurred in September 2002, changing the Company's name to Advantage Health Solutions, Inc.

CAPITAL AND SURPLUS

As of December 31, 2012, the Company had 20,000 shares of common stock authorized with no par value, of which 10,642.5 shares were issued and outstanding. St. Vincent Health, Inc., and Franciscan Alliance, Inc., each own 3,671.25 shares (34.5%) and Ancilla Systems, Inc., and St. Joseph's Regional Medical Center, Inc., each own 1,650 shares (15.5%). No shareholder dividends were paid during the examination period.

TERRITORY AND PLAN OF OPERATION

The Company is licensed in Indiana and primarily writes commercial group health and Medicare Advantage business. The primary plans for group health are traditional HMO, HMO Point-of-Service plans, and Health Savings Accounts. The primary target markets are central Indiana and north central Indiana.

The Company principally employs a network model. Through contractual relationships with the integrated delivery systems represented by the Company's owners and other providers that present strategic partnerships in markets not served by these owners, it offers an array of services and managed care products necessary to meet the market demands of the respective service areas while maximizing the revenues to its provider partners through global capitation arrangements. This contracting strategy enables the Company to meet revenue and performance goals by integrating the health care dollar into the provider delivery systems to ensure quality health care services without funding unnecessary infrastructure costs or sending profits to a non-provider owned entity.

GROWTH OF THE COMPANY

The following exhibit summarizes the financial results of the Company during the examination period:

<u>Year</u>	<u>Admitted Assets</u>	<u>Liabilities</u>	<u>Capital and Surplus*</u>	<u>Total Revenues</u>	<u>Net Income (Loss)</u>
2012	\$ 54,729,436	\$ 35,283,726	\$ 19,445,706	\$ 378,581,072	\$ (8,963,640)
2011	56,904,330	33,790,144	23,114,186	353,333,049	1,540,845
2010	48,976,197	26,284,845	22,691,352	352,518,888	1,674,067

Cash continued to make up a majority of the admitted assets representing 76% of the total. Uncollected premiums increased \$2.1 million due primarily to amounts owed by two (2) clients – the City of Indianapolis and Marion County. These premiums were subsequently collected in 2013.

Total liabilities increased 4% in 2012, which was primarily driven by an increase in Amounts due to parent, subsidiaries, and affiliates of nearly \$2 million. The Company's unpaid claims rose nearly \$700,000 in conjunction with the 2012 growth in membership.

Capital and Surplus decreased 16% during 2012, due to the net loss that was partially offset by capital contributions totaling \$2,800,000 by two (2) of the Company's owners and issuance of surplus notes totaling \$450,000 to these same owners. The 2012 net loss was primarily due to lower than anticipated Medicare revenue as a result of the Centers for Medicare and Medicaid Services lowering the risk score adjustments for 7,700 new Medicare Advantage enrollees while the corresponding loss experience remained at anticipated levels. During 2012, the Company initiated actions to improve the risk scores for new enrollment as well as those members who remain in the plan.

In 2012, the Company's total revenue increased \$25 million or 5%. Premium revenue increased 7% and other care related revenues increased 30%. The continued increase in other health care revenues is due to the state funded Care Select program. The Company has been engaged by the state of Indiana to perform prior authorizations for the state's aged, blind, and disabled Medicaid population. In 2011, the Company began performing all of the work for this program and therefore retained all of the revenue received.

* Capital and Surplus for 2011 and 2010 does not agree with the Surplus as regards policyholders on Page 12 of this report due to rounding errors between the amounts as reported in the respective Annual Statements Pages 3 and 5.

MANAGEMENT AND CONTROL

Directors

The Company is managed and controlled by a Board of Directors. The Company's Bylaws state that the Board of Directors shall consist of seven (7) members. The shareholders, at their annual meeting, or at a special meeting called for the purpose of electing a director to fill a vacancy, elect the members of the Board of Directors. Each director shall hold office until their successors are elected and qualified, until there is a decrease in the total number of directors, or until their earlier resignation, death, or removal.

The following is a listing of persons serving as directors at December 31, 2012, and their principal occupations as of that date:

<u>Name and Address</u>	<u>Principal Occupation</u>
Frederick Arand St. John, Indiana	Vice President, Financial Services Ancilla Systems, Inc.
Jay Brehm Indianapolis, Indiana	Executive Vice President and Regional Chief Financial Officer St. Francis Hospital and Health Centers, Inc.
Robert Brody Carmel, Indiana	President and Chief Executive Officer St. Francis Hospital and Health Centers, Inc.
Vincent Caponi Indianapolis, Indiana	Chief Executive Officer St. Vincent Health, Inc.
Janice Dunn Granger, Indiana	Chief Financial Officer Saint Joseph Regional Medical Center, Inc.
Vicki Perry Indianapolis, Indiana	President and Chief Executive Officer Advantage Health Solutions, Inc.
Marvin White Indianapolis, Indiana	System Vice President and Chief Financial Officer St. Vincent Health, Inc.

Officers

The Company's Bylaws state the officers of the Company, who shall be chosen by the Board of Directors, shall consist of a Chairman of the Board, President, Secretary, and Treasurer, and may also consist of a Vice Chairman, one (1) or more Vice Presidents, Assistant Secretaries, and/or Assistant Treasurers. The Chairman and any Vice Chairman must be elected from among the members of the Board of Directors, and the President shall also serve as a member of the Board of Directors. A person may hold more than one (1) office except that the offices of President and Secretary shall not be held by the same person.

The following is a list of key officers and their respective titles as of December 31, 2012:

<u>Name</u>	<u>Office</u>
Robert Brody	Chairman of the Board
Marvin White	Vice Chairman
Vicki Perry	President
Janice Teal	Secretary
Jennifer Ponski	Treasurer
Anthony Akosa	Vice President Medical Affairs
David Meguschar	Vice President Business Strategy

CONFLICT OF INTEREST

The Company requires all employees to review and sign Conflict of Interest statements on an annual basis. All signed statements by directors and key management were provided by the Company. All directors and officers listed in the Management and Control section of this Report of Examination have reviewed and signed their statements.

CORPORATE RECORDS

Articles of Incorporation

There were no amendments made to the Articles of Incorporation during the examination period.

Bylaws

There were no amendments made to the Bylaws during the examination period.

Minutes

The Board of Directors and Shareholder meeting minutes were reviewed for the period under examination through the fieldwork date and significant actions taken during each meeting were noted. It was noted that the annual meetings and other regular Board of Directors meetings were held in accordance with the Company's Bylaws. The Company's Bylaws also call for an annual meeting of the Mission Committee however, it was noted that the Mission Committee failed to meet in 2011. See the Other Significant Issues section of this Report of Examination.

AFFILIATED COMPANIES

Organizational Structure

The following abbreviated organizational chart shows the Company's parents as of December 31, 2012:

	<u>NAIC Company Code</u>	<u>State of Domicile</u>
St. Vincent Health, Inc. (34.5%)		Indiana
Franciscan Alliance, Inc. (34.5%)		Indiana
St. Joseph Regional Medical Center, Inc. (15.5%)		Indiana
Ancilla Systems, Inc. (15.5%)		Indiana
Advantage Health Solutions, Inc.	52568	Indiana

Affiliated Agreements

The following affiliated agreements and transactions were disclosed as part of the Form B – Holding Company Registration Statement and were filed with the INDOI, as required, in accordance with Indiana Code 27-1-23-4.

Medical Management Agreement

Effective November 1, 2010, this agreement is between Advantage and Ascension Health Welfare Benefit Plan (sponsored by Ascension Health, Inc., the parent of St. Vincent Health, Inc.). Advantage agrees to provide consultative services and access to its data exchange and reporting system (Care-Advantage) for the purpose of aggregating claims integration and population management support to help Ascension Health Welfare Benefit Plan achieve improved health outcomes, efficiency, and cost effectiveness for their associates and associate families. Payments received by Advantage during 2012, as a result of this Agreement totaled \$464,559.

Physician Network Agreement

Effective January 1, 2006, Suburban Health Organization, Inc., (SHO) agrees to act as a health care delivery system with respect to the managed care benefits provided to Advantage's enrollees. Advantage pays SHO on a capitated basis for services covered by the Physician Network Agreement. SHO is responsible for contracting with enough Plan Providers to be able to provide the Covered Services to Covered Persons. When treatment must be sought out-of-network (other than out-of-area emergency services), SHO is responsible for the cost of treatment. In 2012, Advantage paid SHO \$82,508,077.

Physician Network Agreement

Effective January 1, 2003, St. Francis Health Network, Inc., (SFHN) agrees to act as a provider network with respect to the managed care benefits provided to enrollees of Advantage. Advantage pays SFHN on a per member per month capitated basis. In addition, Advantage makes available Biotech Injectibles to SFHN and the associated costs are reimbursed by SFHN. Advantage paid \$53,424,964 during 2012 to SFHN.

Physician Network Agreement

Effective October 1, 2004, Select Health Network, Inc., (Select) agrees to perform services as a health care delivery system to the enrollees of Advantage and Advantage pays Select on a per member per month basis. During 2012, Advantage paid Select \$26,570,454 under the terms of this Agreement.

Sublease Agreement

Effective March 25, 2009, this agreement is between Advantage and Cooperative Managed Care Services, LLC (CMCS). CMCS is a subsidiary of St. Vincent Health and Franciscan Alliance, Inc. CMCS provides support services for physician and hospital sponsored organizations that provide and administer health care services.

CMCS is a licensed Third Party Administrator and Utilization Review Agent. Under this agreement, Advantage subleases a portion of its leased office space to CMCS and shares certain other services and space. In 2012 CMCS paid Advantage \$422,168 under the terms of the sublease agreement.

Third Party Administration Agreement

This agreement is effective January 1, 2011, and is between Advantage, Franciscan Alliance, Inc., (FAI) and Franciscan Alliance Self-Insured Health Benefit Plan (Plan) (sponsored by Franciscan Alliance, Inc.). The Plan is a self-insured employee welfare benefit group health plan that provides a means by which eligible employees of FAI and their eligible dependents may obtain benefits. The Plan is a church plan for purposes of ERISA and other regulatory provisions. Under the Third Party Administrator Agreement, Advantage agrees to provide administrative services for the Plan, access to its Care-Advantage program, and the Advantage Proprietary Network. The amount paid by FAI under this Agreement for 2012 was \$2,984,573.

Pioneer ACO Services Agreement

Effective January 1, 2012, this agreement is between Advantage and St. Francis Health Network ACO (ACO). Advantage provides ACO a managed care related infrastructure, consultative services (including project management services), access to the Advantage integrated care management operating platform technology, its data exchange, and analytics reporting system. In 2012, Pioneer paid Advantage \$607,385 under the terms of this agreement.

FIDELITY BOND AND OTHER INSURANCE

The Company protects itself against loss from fraudulent or dishonest acts by its employees through a fidelity bond issued by the Cincinnati Insurance Company. The bond has blanket coverage of \$1,250,000. The amount meets the prescribed minimum coverage specified by the NAIC.

The Company had additional types of coverage in-force at December 31, 2012, including but not limited to, business auto, commercial general liability, commercial property, commercial umbrella liability, electronic data processing equipment, managed care liability, nurse's professional liability, and workers' compensation.

STATUTORY DEPOSITS

The Company reported one (1) statutory deposit as of December 31, 2012. The deposit was a certificate of deposit held with the state of Indiana for all policyholders and had a book value of \$500,000 and a fair value of \$506,017.

REINSURANCE

The Company maintains excess HMO reinsurance with Westport Insurance Corporation. Coverage is provided through a series of contracts, three (3) contracts for capitated services, and three (3) contracts for non-capitated services, covering (a) health and hospital members, (b) commercial members, and (c) Medicare members.

Each contract stipulates a deductible amount for such reinsurance coverage, ranging from \$275,000 to \$425,000 per member per year, with the reinsurer then being liable for up to 90% of scheduled eligible services in excess of the retention limits subject to a maximum reinsurance coverage payable for eligible charges as to any one (1) member of \$2,000,000 per agreement year.

ACCOUNTS AND RECORDS

The Company's accounting procedures, practices, account records, and supporting data were reviewed and tested to the extent deemed necessary. The trial balances prepared from the Company's general ledger for the years ended December 31, 2011 and 2012, were agreed to the respective Annual Statements. The Annual Statements for the years ended December 31, 2010 through December 31, 2012, were agreed to each year's independent audit report without material exception. The Company's accounting procedures, practices, and account records were deemed satisfactory.

ADVANTAGE HEALTH SOLUTIONS, INC.

Assets

As of December 31, 2012

	<u>Per Examination[†]</u>
Cash, cash equivalents and short-term investments	<u>\$41,822,161</u>
Subtotals cash and invested assets	<u>\$41,822,161</u>
Premiums and considerations:	
Uncollected premiums and agents' balances in the course of collection	4,966,460
Current federal and foreign income tax recoverable and interest thereon	1,312,646
Net deferred tax asset	1,249,920
Electronic data processing equipment and software	60,025
Receivables from parent, subsidiaries and affiliates	450,000
Health care and other amounts receivable	4,868,224
Total assets [‡]	<u>\$54,729,436</u>

[†] There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

[‡] Total assets do not agree with Total liabilities, capital and surplus due to a \$4 rounding error.

ADVANTAGE HEALTH SOLUTIONS, INC.
Liabilities, Capital and Surplus
As of December 31, 2012

	<u>Per Examination*</u>
Claims unpaid	\$23,638,030
Unpaid claims adjustment expenses	642,000
Premiums received in advance	663,843
General expenses due or accrued	3,197,978
Amounts withheld or retained for the account of others	761,503
Amounts due to parent, subsidiaries and affiliates	4,877,478
Liability for amounts held under uninsured plans	1,502,894
Total liabilities	\$35,283,726
Common capital stock	5,975,231
Gross paid in and contributed surplus	2,800,000
Surplus notes	450,000
Unassigned funds (surplus)	10,220,475
Total capital and surplus	\$19,445,706
Total liabilities, capital and surplus[†]	\$54,729,432

* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

[†] Total assets do not agree with Total liabilities, capital and surplus due to a \$4 rounding error.

ADVANTAGE HEALTH SOLUTIONS, INC.
Statement of Revenue and Expenses
For the Year Ended December 31, 2012

	Per Examination*
Member Months	771,618
Net premium income	\$369,943,893
Aggregate write-ins for other health care related revenues	8,638,833
Aggregate write-ins for other non-health revenues	(1,654)
Total revenues	\$378,581,072
Hospital and Medical:	
Hospital/medical benefits	259,893,259
Other professional services	843,899
Outside referrals	33,990,669
Emergency room and out-of-area	6,918,455
Prescription drugs	51,606,193
Subtotal	\$353,252,475
Net reinsurance recoveries	453,635
Total hospital and medical	\$352,798,840
Claims adjustment expenses	7,972,067
General administrative expenses	28,093,035
Total underwriting deductions	\$388,863,942
Net underwriting gain or (loss)	(10,282,870)
Net investment income earned	69,310
Net investment gains (losses)	69,310
Net income or (loss) after capital gains tax and before all other federal income taxes	(10,213,560)
Federal and foreign income taxes incurred	(1,249,920)
Net income (loss)	(8,963,640)

* There were no adjustments to the as-filed financial statements, therefore the Annual Statement amounts agree to the examination amounts.

ADVANTAGE HEALTH SOLUTIONS, INC.
Capital and Surplus Account Reconciliation

	2012	2011	2010
Capital and surplus prior reporting year	\$ 23,114,185	\$ 22,691,349	\$ 20,579,148
Net income or (loss)	(8,963,640)	1,540,845	1,674,067
Change in net deferred income tax	1,788,490	(320,200)	88,384
Change in nonadmitted assets	256,671	(797,809)	349,750
Change in surplus notes	450,000	-	-
Surplus adjustments:			
Paid in	2,800,000	-	-
Change in surplus as regards policyholders for the year	(3,668,479)	422,836	2,112,201
Surplus as regards policyholders, December 31 current year*	<u>\$ 19,445,706</u>	<u>\$ 23,114,185</u>	<u>\$ 22,691,349</u>

* Surplus as regards policyholders for 2011 and 2010 does not agree with the Capital and Surplus on Page 3 due to rounding errors between the amounts as reported in the respective Annual Statements on Pages 3 and 5.

COMMENTS ON THE FINANCIAL STATEMENTS

There were no recommended adjustments to the financial statements as of December 31, 2012, based on the results of this examination.

OTHER SIGNIFICANT ISSUES

The Company's Bylaws call for an annual meeting of the Mission Committee. In 2011 the Mission Committee did not meet causing the Company to violate its Bylaws. The Company's Mission Committee should meet every year or the Company should amend the Bylaws to remove this requirement.

SUBSEQUENT EVENTS

There were no events subsequent to the examination date and prior to the completion of field work which were considered material events requiring disclosure in this Report of Examination.

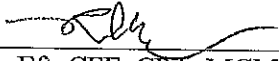
AFFIDAVIT

This is to certify that the undersigned is a duly qualified Examiner-in-Charge appointed by the Indiana Department of Insurance and that he, in coordination with staff assistance from Noble Consulting Services, Inc., and actuarial assistance from Merlinos & Associates, Inc., hereinafter collectively referred to as the "Examiners", performed an examination of Advantage Health Solutions, Inc. as of December 31, 2012.

The Indiana Department of Insurance is accredited under the National Association of Insurance Commissioners Financial Regulation Accreditation Standards.

This examination was performed in accordance with those procedures required by the NAIC Financial Condition Examiners Handbook and other procedures tailored for this examination. Such procedures performed on this examination do not constitute an audit made in accordance with generally accepted auditing standards and no audit opinion is expressed on the financial statements contained in this report.

The attached report of examination is a true and complete report of condition of Advantage Health Solutions, Inc. as of December 31, 2012, as determined by the undersigned.




Roy Eft, CFE, CPA, MCM
Noble Consulting Services, Inc.

State of: Indiana
County of: Marion

On this 21 day of February, 2013, before me personally appeared, Roy Eft, to sign this document.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal in said County and State, the day and year last above written.

My commission expires  _____
Notary Public