



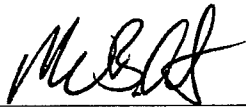
## Management's Report of Internal Control over Financial Reporting

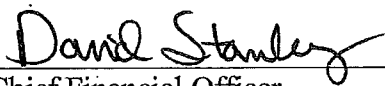
Management of University Health Care, Inc. d/b/a Passport Health Plan (the Company) is responsible for establishing and maintaining adequate internal control over statutory financial reporting. The Company has established an internal control system designed to provide reasonable assurance regarding the fair presentation of statutory financial reporting. The Company developed its own internal framework for evaluating the effectiveness of internal control over statutory financial reporting. The Company's framework includes the identification and evaluation of the company's internal control environment and areas of potential material internal control risk, documentation of existing internal controls, monitoring and testing of those key controls, documentation of remedial actions planned or taken, if any, and communication of the findings of the evaluation by the Company's senior management to the Audit Committee of the Board of Directors.

Management conducted an assessment of the effectiveness, as of December 31, 2016, of the Company's internal control over statutory financial reporting, which included identifying, reviewing, monitoring and testing significant internal controls over statutory financial reporting. Based on our assessment under the above described approach and through diligent inquiry, management has concluded that the Company's internal control over statutory financial reporting is effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of statutory financial statements as of December 31, 2016.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are also subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Based on management review of internal controls, there were no unremediated material weaknesses as of December 31, 2016 identified as part of the Company's internal control structure over the statutory financial statements for the year ended December 31, 2016.

(Signed)  (Date) 4/27/17  
Chief Executive Officer

(Signed)  (Date) 4/27/17  
Chief Financial Officer