RSM US LLP

8020 Excelsior Dr., Suite 100
Madison, WI 53717

O +1 608 833 2612
F +1 608 833 8195

www.rsmus.com

May 9, 2018

Community Care, Inc. and Related Corporations
205 Bishops Way
Brookfield, WI 53005

Attention: Ms. Christy Smith, Chief Financial Officer

In accordance with your request, we are transmitting the accompanying PDF file, which contains an electronic final version of the consolidated financial statements of Community Care, Inc. and Related Corporations which comprise the statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities, changes in net assets and cash flows for the years then ended and the related notes to the consolidated financial statements for the years then ended. We understand that your request for the electronic copy has been made as a matter of convenience. You understand that electronic transmissions are not entirely secure and that it is possible for confidential financial information to be intercepted by others.

These financial statements and our reports on them are not to be modified in any manner. This final version supersedes all prior drafts. Any preliminary draft version of the financial statements previously provided to you in an electronic format should be deleted from your computer, and all printed copies of any superseded preliminary draft versions should likewise be destroyed.

Professional standards and our Firm policies require that we perform certain additional procedures whenever our reports are included, or we are named as accountants, auditors, or “experts” in a document used in a public or private offering of equity or debt securities. Accordingly, as provided for and agreed to in the terms of our arrangement letter, Community Care, Inc. and Related Corporations will not include our reports, or otherwise make reference to us, in any public or private securities offering without first obtaining our consent. Any request to consent is also a matter for which separate arrangements will be necessary. After obtaining our consent, Community Care, Inc. and Related Corporations also agrees to provide us with printer’s proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when Community Care, Inc. and Related Corporations seeks such consent, we will be under no obligation to grant such consent or approval.

RSM US LLP

Linda Dolezalek

Linda Dolezalek, Senior Manager

Community Care, Inc. and Related Corporations

Financial and Compliance Report
12.31.2017

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Community Care, Inc. and Related Corporations

Contents

Independent Auditor's Report

Board of Directors
Community Care, Inc.

Report on the Financial Statements
We have audited the accompanying consolidated financial statements of Community Care, Inc. and Related Corporations (the Organization), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, financial statements).

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States and the *Wisconsin Department of Health Services (DHS) Family Care Audit Guide* issued by the Wisconsin Department of Health Services. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Care, Inc. and Related Corporations as of December 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters
Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The additional columns on pages 5 and 6 for Community Care Programs, Family Care, PACE, Partnership, and Management and Administration as presented in the Statements of Activities for 2017 and 2016 are presented for purposes of additional analysis of the financial statements, rather than to present information regarding the changes in net assets of the individual programs and are not a required part of the financial statements. The accompanying schedule of expenditures of state awards and the schedule of grant revenues and expenditures by funding source, to comply with the *DHS Family Care Audit Guide,* are presented for purposes of additional analysis, and are not required parts of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards* and the *DHS Family Care Audit Guide*, we have also issued our report dated May 9, 2018, on our consideration of Community Care, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *DHS Family Care Audit Guide* in considering Community Care, Inc.'s internal control over financial reporting and compliance.

RSM US LLP

Madison, Wisconsin
May 9, 2018

Community Care, Inc. and Related Corporations

Consolidated Statements of Financial Position
December 31, 2017 and 2016

	2017	2016
Assets		
Current assets:		
Cash and cash equivalents	**$ 62,419,874**	$ 55,666,324
Accounts and grants receivable, net of allowances of $2,363,045 and $1,982,741, in 2017 and 2016, respectively	**7,375,143**	6,356,080
Prepaid expenses	**2,096,224**	1,652,513
Total current assets	**71,891,241**	63,674,917
Property and equipment:		
Land and land improvements	**1,219,228**	1,135,632
Buildings and improvements	**10,911,113**	10,975,981
Equipment and furnishings	**4,304,699**	4,317,091
Computer equipment and software	**8,081,611**	8,452,654
	24,516,651	24,881,358
Less accumulated depreciation	**14,343,306**	13,369,575
	10,173,345	11,511,783
Other assets:		
Investments	**8,575,366**	8,507,895
Assets limited as to use (Note 2)	**7,378,723**	5,541,050
Other assets	**78,059**	78,059
	16,032,148	14,127,004
	$ 98,096,734	$ 89,313,704

(Continued)

Community Care, Inc. and Related Corporations

Consolidated Statements of Financial Position (Continued)
December 31, 2017 and 2016

	2017	2016
Liabilities and Net Assets		
Current liabilities:		
Current maturities of bonds and note payable (Note 5)	**$ 183,986**	$ 178,451
Reported and estimated claims (Note 6)	**39,193,393**	36,744,741
Accounts payable	**5,863,429**	3,095,387
Accrued liabilities:		
Payroll and benefits	**4,804,360**	4,756,487
Other	**2,075,424**	1,686,579
Total current liabilities	**52,120,592**	46,461,645
Bonds and note payable, less current maturities, net of unamortized deferred financing costs of $95,746 and $102,274 in 2017 and 2016, respectively (Note 5)	**3,815,586**	3,993,044
Commitments and contingencies		
Net assets:		
Unrestricted net assets	**29,024,451**	26,693,397
Unrestricted board designated net assets	**13,136,105**	12,165,618
Total net assets	**42,160,556**	38,859,015
	$ 98,096,734	$ 89,313,704

See notes to consolidated financial statements.

Community Care, Inc. and Related Corporations

Consolidated Statement of Activities
Year Ended December 31, 2017 (with Comparative Totals for 2016)

	2017							2016*
	Community Care		Community Care Health Plan					
	Community Care Programs	Family Care Standard	PACE	Partnership	Management and Administration	Eliminations	Total	Total
Operating revenue and support:								
Capitation revenue	$ -	$ 381,890,883	$ 42,666,874	$ 49,466,280	$ -	$ -	$ 474,024,037	$ 452,221,090
Grants and reimbursements	23,106,060	-	-	-	-	22,354,807	751,253	1,018,290
Client pay portion	-	50,604,558	1,620,673	3,441,012	-	-	55,666,243	52,644,002
Total revenue and support	23,106,060	432,495,441	44,287,547	52,907,292	-	22,354,807	530,441,533	505,883,382
Operating expenses:								
Wages and benefits	14,851,950	28,069,407	2,744,583	3,463,843	-	-	49,129,783	45,554,368
Contract client services	-	385,627,063	36,475,201	47,066,362	-	22,354,807	446,813,819	424,401,320
Other direct expenses	5,686,819	1,764,099	903,471	1,084,033	-	-	9,438,422	10,741,171
Allocated general, administrative and occupancy expenses	2,429,751	14,451,454	2,025,037	2,550,619	(1,834,523)	-	19,622,338	19,874,611
Depreciation	276,241	112,756	9,323	684	1,772,535	-	2,171,539	2,401,074
Interest	18,719	-	-	-	61,988	1,863	78,844	61,326
Total operating expenses	23,263,480	430,024,779	42,157,615	54,165,541	-	22,356,670	527,254,745	503,033,870
Operating income (loss)	(157,420)	2,470,662	2,129,932	(1,258,249)	-	(1,863)	3,186,788	2,849,512
Other income (expense):								
Investment income, net of fees	-	66,536	70,554	-	55,281	1,863	190,508	134,084
Income tax expense	-	-	-	-	-	-	-	(641,153)
Other	44,123	54,000	28,250	-	(202,128)	-	(75,755)	321,709
Total other income (loss)	44,123	120,536	98,804	-	(146,847)	1,863	114,753	(185,360)
Change in unrestricted net assets	**$ (113,297)**	**$ 2,591,198**	**$ 2,228,736**	**$ (1,258,249)**	**$ (146,847)**	**$ -**	**3,301,541**	2,664,152
Net assets, beginning of year							**38,859,015**	36,194,863
Net assets, ending of year							**$ 42,160,556**	$ 38,859,015

* See following page for presentation of the complete consolidated statement of activities for the year ended December 31, 2016.

See notes to consolidated financial statements.

Community Care, Inc. and Related Corporations

Consolidated Statement of Activities
Year Ended December 31, 2016

	2016						
	Community Care		Community Care Health Plan				
	Community Care Programs	Family Care Standard	PACE	Partnership	Management and Administration	Eliminations	Total
Operating revenue and support:							
Capitation revenue	$ -	$ 356,329,766	$ 46,561,389	$ 49,329,935	$ -	$ -	$ 452,221,090
Grants and reimbursements	22,634,430	-	-	-	-	21,616,140	1,018,290
Client pay portion	-	47,525,570	1,629,582	3,488,850	-	-	52,644,002
Total revenue and support	22,634,430	403,855,336	48,190,971	52,818,785	-	21,616,140	505,883,382
Operating expenses:							
Wages and benefits	14,013,850	25,461,756	2,823,695	3,255,067	-	-	45,554,368
Contract client services	-	363,459,258	36,549,168	46,009,034	-	21,616,140	424,401,320
Other direct expenses	6,582,706	1,786,522	1,214,812	1,157,131	-	-	10,741,171
Allocated general, administrative		-					
and occupancy expenses	1,705,801	12,998,099	2,939,707	4,236,101	(2,005,097)	-	19,874,611
Depreciation	301,944	127,931	8,978	1,030	1,961,191	-	2,401,074
Interest	19,151	-	-	-	43,906	1,731	61,326
Total operating expenses	22,623,452	403,833,566	43,536,360	54,658,363	-	21,617,871	503,033,870
Operating income (loss)	10,978	21,770	4,654,611	(1,839,578)	-	(1,731)	2,849,512
Other income:							
Investment income, net of fees	-	29,066	66,321	-	40,428	1,731	134,084
Income taxes expense	-	-	(641,153)	-	-	-	(641,153)
Other	-	43,000	78,366	-	200,343	-	321,709
Total other income (loss)	-	72,066	(496,466)	-	240,771	1,731	(185,360)
Change in unrestricted net assets	**$ 10,978**	**$ 93,836**	**$ 4,158,145**	**$ (1,839,578)**	**$ 240,771**	**$ -**	2,664,152
Net assets, beginning of year							36,194,863
Net assets, ending of year							**$ 38,859,015**

See notes to consolidated financial statements.

Community Care, Inc. and Related Corporations

Consolidated Statements of Cash Flows
Years Ended December 31, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Change in net assets	**$ 3,301,541**	$ 2,664,152
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation	**2,171,539**	2,401,074
Loss on disposal of property and equipment	**1,794**	2,464
Net realized and unrealized loss on investments and assets limited as to use	**66,232**	71,232
Amortization of deferred financing cost included in interest	**6,528**	17,131
Deferred income tax expense	**-**	641,153
Changes in operating assets and liabilities:		
Accounts and grants receivable	**(1,019,063)**	(2,313,923)
Prepaid expenses	**(443,711)**	28,538
Reported and estimated claims	**2,448,652**	(3,264,841)
Accounts payable	**2,723,475**	1,555,686
Accrued payroll and benefits	**47,873**	526,715
Other accrued liabilities	**388,845**	836,284
Net cash provided by operating activities	**9,693,705**	3,165,665
Cash flows from investing activities:		
Purchases of property and equipment	**(795,328)**	(137,915)
Proceeds from sale of property and equipment	**5,000**	4,500
Purchases of investments and assets limited as to use	**(3,318,259)**	(3,535,539)
Proceeds from sale of investments and assets limited as to use	**1,346,883**	2,856,288
Net cash used in investing activities	**(2,761,704)**	(812,666)
Cash flows from financing activities - net cash used in financing activities:		
Payments on bonds payable	**(178,451)**	(167,889)
Net increase in cash and cash equivalents	**6,753,550**	2,185,110
Cash and cash equivalents at beginning of year	**55,666,324**	53,481,214
Cash and cash equivalents at end of year	**$ 62,419,874**	$ 55,666,324
Supplemental disclosure of cash flow information:		
Interest paid	**$ 73,773**	$ 58,092
Acquisition of equipment included in accounts payable	**$ 44,567**	$ -

See notes to consolidated financial statements.

Note 1. Nature of Operations

Community Care, Inc. (CC) is a community-based, not-for-profit, non-stock corporation that provides coordinated long-term health care and social services to at-risk adult populations. CC has two related corporations, Community Care Health Plan, Inc. (CCHP) and Community Care HUD Housing, Inc. (CCHUD).

CCHP was formed by CC and was incorporated on June 14, 2004 under Section 501(c)(4) of the Internal Revenue Code and Chapter 613 of the Wisconsin Statues as a not-for-profit, nonstock, Health Maintenance Organization (HMO). The State of Wisconsin granted CCHP its HMO licensure on August 12, 2004 and operations commenced on July 1, 2005. CCHP was formed by CC to comply with the rules and laws of the State of Wisconsin and the Office of the Commissioner of Insurance of the State of Wisconsin (OCI). CCHP provides coordinated long-term health care and social services to at-risk adult populations in southeastern Wisconsin.

CCHUD was formed by CC and was incorporated on July 23, 2012 under Section 501(c)(3) of the Internal Revenue Code. CCHUD was formed to provide elderly individuals and individuals with developmental and/or physical disabilities with housing facilities. The activities of CCHUD are reflected in Community Care Programs on the statements of activities.

Because CC is the sole member of CCHP and CCHUD, and approves the board of directors of CCHP and CCHUD, and because of economic interest, CCHP's and CCHUD's financial statements are consolidated (collectively referred to as the Organization).

The Organization provides the following significant programs:

Family Care (FC): FC is a Medicaid capitated long-term care program. Members are 18 years or older and include frail elderly, physically disabled and developmentally disabled members. Members must meet both functional and financial eligibility requirements. The program objective is to provide cost-effective, comprehensive and flexible long-term care that will foster consumers' independence and quality of life, while recognizing the need for interdependence and support. The service area includes fourteen counties in southeastern and east central Wisconsin.

Community Care Health Plan (CCHP): CCHP is composed of two managed care programs: the Program for All-Inclusive Care for the Elderly (PACE) and Family Care Partnership (FCP). The programs provide fully integrated care which includes all Medicare and Medicaid services. PACE members must be 55 years or older, while FCP members must be 18 years or older. Both programs include frail elderly, physically disabled and developmentally disabled members. Members must be at nursing home level of care and meet financial eligibility requirements. The service area includes nine counties in southeastern and east central Wisconsin.

Community Care HUD Housing (CCHUD): CCHUD owns two HUD-funded, five-bedroom facilities operated as licensed community-based residential facilities (CBRFs) located in Milwaukee. As a result of changes to CC's contract with the State of Wisconsin Department of Health Services (DHS), CCHUD must sell its ownership in these properties or contract with an external entity for care management services for members residing in these facilities. The Organization has secured a qualified purchaser for properties owned by CCHUD Housing, Inc. and expects this transaction to be completed in 2018.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of consolidation: The consolidated financial statements include the accounts of CC and related corporations, CCHP and CCHUD. All significant inter-entity transactions are eliminated in consolidation.

Basis of presentation: The Organization presents its consolidated financial statements on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor restrictions as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulations or time restriction.

The Board of Directors established the designation of “Community Care Health Plan” to account for the accumulated increase in net assets realized under the Organization’s CCHP program since its inception, and it is reported as unrestricted board designated net assets in the statement of financial position.

Temporarily restricted - Net assets subject to donor-imposed stipulations that are met either by action of the Organization or the passage of time. There are no temporarily restricted net assets as of December 31, 2017 or 2016.

Permanently restricted - Net assets subject to donor-imposed stipulations that are maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. There are no permanently restricted net assets as of December 31, 2017 or 2016.

Use of estimates in preparation of consolidated financial statements: The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reported and estimated claims consist of unpaid claims reported to the Organization and an estimated liability for medical claims incurred on or before December 31, which have not been reported to the Organization by that date. Estimated claims payable are based on historical trends and cost projections. An independent actuary reviewed the estimates made by CCHP as of December 31, 2017 and 2016. Management believes the estimates are reasonable approximations of the incurred but not reported medical claims. However, it is reasonably possible that the claims presented for payment may not follow past trends and therefore, may be more or less than the $39,193,393 liability recorded in the consolidated statement of financial position as of December 31, 2017. It is the opinion of management that the difference will not have a material effect on the Organization’s net assets or results of operations. The methods for making such estimates and for establishing the resulting liability are continually reviewed and adjustments are reflected in the period determined. There has been no significant changes to the Organization’s methodologies.

Cash and cash equivalents: The Organization considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents.

The Organization maintains deposits in financial institutions that consistently exceed the Federal Deposit Insurance Corporation limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

The Organization is a fiscal agent for certain elderly and disabled adults. At December 31, 2017 and 2016, the Organization held approximately $101,000 and $120,000, respectively, of funds on behalf of its clients. These accounts are included in cash and cash equivalents and accounts payable on the consolidated statements of financial position.

Accounts and grants receivable: The majority of accounts and grants receivable are due from governmental or granting agencies. The terms of payments are specified in the agreements with the governmental and granting agencies. The Organization determines its allowance for doubtful accounts by considering a number of factors, including the length of time the receivable is past due, the Organization's previous loss history, the agency's current ability to pay its obligations to the Organization and the general economy and industry as a whole. Past due amounts are written off after management has used reasonable collection efforts.

Property and equipment: Purchases of property and equipment in excess of $2,500 are capitalized at historical cost, and are depreciated over the estimated useful lives of the assets using the straight-line method as follows:

Land improvements	3-25 years
Building and improvements	5-30 years
Equipment and furnishing	5-20 years
Computer equipment and software	3-5 years

Donated property and equipment are recorded at fair value on the date of the gift. Maintenance and repair costs are charged to expense as incurred, and improvements are capitalized. When property and equipment are retired or sold, the related cost and accumulated depreciation are removed from accounts, and the gain or loss on disposition is reflected in the consolidated statements of activities.

Investments: The Organization reports investments at fair value, with net appreciation or depreciation reported in the consolidated statements of activities.

The Organization's investments are exposed to various risks such as, interest rates and market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of investments, it is at least reasonably possible that changes in risk in the near term would materially affect the Organization's investment holdings.

Assets limited as to use: The Organization is required by DHS to maintain a surplus of liquid assets for the Family Care Program to provide continuity of care for enrolled members, accountability to taxpayers, and effective program administration including the ability to manage operations. At December 31, 2017 and 2016, the Organization has invested its long-term restricted use funds of $5,003,723 and $4,466,744, respectively, in U.S. Government and agency securities which are reported in assets limited as to use on the consolidated statements of financial position. The required surplus at December 31, 2017 and 2016 was $4,723,823 and $4,444,842, respectively.

Under the terms of CC's contract with DHS, CC is also required to maintain a solvency fund, which provides for continuity of services and smooth transition of members from the existing Managed Care Organization (MCO) to another entity or in the event the existing MCO becomes irreversibly insolvent. At December 31, 2017 and 2016, the Organization has deposited $2,375,000 and $1,074,306, respectively, into an account designated by DHS and held by the Wisconsin Department of Administration to meet this requirement. As these funds are still the assets of the Organization, they are included in assets limited as to use on the consolidated statements of financial position. The required deposits at December 31, 2017 and 2016 were $2,357,160 and $750,000, respectively.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

Contracts with the Wisconsin Department of Health Services: The Organization has contracts with DHS to provide services to qualified Medicaid recipients (the Contracts). The Contracts represent the Organization's source of capitation revenue. The Contracts expire on December 31, 2018. The Organization or DHS may terminate the Contracts with 30 days written notice.

Revenue recognition: Capitation revenue is based on final per member per month capitation rates per the contracts with DHS and services covered by Medicare. DHS and Medicare make monthly interim capitation payments to the Organization. These amounts are recognized as revenue in the period to which they relate. Any amounts received in advance would be recorded as deferred revenue.

The capitation revenue from the Contracts is subject to retroactive rate adjustments as calculated by DHS. The Organization estimates accrued retroactive rate adjustments through a mathematical approach based on enrollment demographics, established rates, and information received from DHS and records the adjustment to revenue and accounts receivable. Any adjustments between the estimates and the actual rates are included in the consolidated statements of activities in the period they become known.

Client pay portion revenue is recognized when the services are provided, and represents that portion of services provided to clients that is not covered under the contracts with DHS and Medicare.

Revenue from governmental grants is recognized in the period the related expense is incurred. Governmental grant awards are generally subject to renewal by the grantor agencies on an annual basis.

Operating income: The consolidated statements of activities include an intermediate measure of operations, operating income, which represents the activity of the ongoing operation of the Organization. Other income and expense excluded from operating income consists primarily of investment income (loss), income tax benefit (expense) and nonrecurring transactions that are viewed as being outside the Organization's primary activities.

Health care costs: The Organization has entered into agreements with providers for certain health care services on a contractual fee-for-service basis. Costs of these services are recognized as an expense in the period the service is provided and are recorded as claims are incurred. Costs incurred but not reported are recorded based upon the forecast cost method. Any adjustments between the estimates and the actual claims are included in the statement of activities in the period they become known.

Functional allocation of expenditures: Payroll and related expenses are allocated to the programs based on the estimated time spent in each program derived from employee job descriptions. Expenses specifically identifiable with a program are charged to that program. Other administrative expenses not specifically identifiable with a program are allocated to the various programs using summary percentages based on the time spent in each program. Occupancy costs are allocated to various programs based on the square foot usage of each program.

Income taxes: CC and CCHUD are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has determined that CCHP is exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code. Accordingly, the accompanying consolidated financial statements do not include any amounts for federal corporate income taxes. However, CCHP is subject to State of Wisconsin property, income and franchise taxes. CC and CCHUD are exempt from state income taxes.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

The Organization uses the liability method in accounting for CCHP's state income taxes. Deferred tax assets and liabilities are recorded for temporary differences between the tax basis of assets and liabilities and their amounts reported in the consolidated financial statements, using statutory tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statement of activities in the period that includes the enactment date. A valuation allowance is recorded to reduce the carrying value of deferred tax assets, unless it is more likely than not those assets will be realized.

The Organization expenses interest and penalties on income taxes when they are known. There were no interest or penalties on income taxes in 2017 or 2016.

The Organization follows the provisions of Accounting Standard Codification (ASC) 740, *Income Taxes*. As required by the uncertain tax position guidance in ASC 740, the Organization recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For positions that meet the more-likely-than-not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. There were no significant matters determined by management to be unrecognized tax benefits taken or expected to be taken in a tax return that have been recorded in the Organization's consolidated financial statements for the years ended December 31, 2017 and 2016.

As of December 31, 2017 and 2016, the Organization had deferred tax assets of $321,352 and $400,321, respectively. Full valuation allowances are provided against these deferred tax assets due to uncertainty of their realization.

For the years ended December 31, 2017 and 2016, the Organization had a current state income tax expense of $0 and $641,153, respectively, related to CCHP's operating results.

Medicare Advantage: The Organization contracts with the Centers for Medicare & Medicaid Services (CMS) to provide coverage under the Medicare Advantage program. Under this contract, revenues are recognized based on the estimated number of eligible members per month multiplied by the contracted monthly capitation rate, which is adjusted for member health status.

The Organization has an arrangement with CMS for certain Medicare products, whereby periodic changes in its risk-factor adjustment scores for hierarchical condition category codes (HCC risk scores) result in changes to health plan services premium revenues. CMS uses a risk-adjustment model to determine the premium amount it pays for each member. The CMS risk-adjustment model allocates premiums paid to all Medicare Advantage plans according to the health status of each beneficiary enrolled and pays more for Medicare members with higher HCC risk scores.

Under this risk-adjustment methodology, all Medicare Advantage health plans must capture, collect and submit certain necessary diagnosis code information from encounter data obtained from inpatient and ambulatory treatment settings to CMS within prescribed deadlines.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

CMS uses this diagnosis code information to calculate members' HCC risk scores. The HCC risk scores, in turn, determine the risk-adjusted premiums payable to the Medicare Advantage organizations. CMS reviews the submissions and establishes the HCC risk scores generally at the beginning of the calendar year, and then adjusts the HCC risk scores on two separate occasions on a retroactive basis. The first adjustment (the Mid-Year HCC Risk Score Reconciliation) for a given fiscal year will be effective for the July reporting period. The Mid-Year HCC Risk Score Reconciliation involves updating the initial HCC risk scores using more recently available diagnosis code information. CMS then issues a final HCC risk score reconciliation adjustment for that fiscal year in the following year.

The Organization recognizes changes in receivables previously recorded when the amounts to be received become determinable and supportable, and collectability is reasonably assured. Based on the Organization's evaluation of estimated settlements for CMS risk-factor adjustment scores, the Organization recorded receivables of approximately $97,000 and $375,000 at December 31, 2017 and 2016, respectively, within accounts and grants receivable in the consolidated financial statements. Because the recorded revenue is based on the best estimate at that time, the actual payment received from CMS for risk-adjustment reimbursement settlements may be different than the amounts initially recognized in the consolidated financial statements. Changes in the estimates for the risk adjustment are included in the consolidated statement of activities in the period they become known.

Medicare Part D: The Organization covers prescription drug benefits in accordance with Medicare Part D under multiple contracts with CMS. The payments the Organization receives monthly from CMS and its members, which are determined from an annual bid, represent amounts for providing prescription drug insurance coverage. The Organization recognizes capitation revenue for providing this coverage ratably over the term of the annual contract. The CMS payment is subject to risk-sharing through the Medicare Part D risk-sharing corridor provisions.

The Organization recorded amounts due for Medicare Part D of $978,301 and $774,597 at December 31, 2017 and 2016, respectively in other accrued liabilities in the consolidated financial statements.

Advertising: Advertising costs are expensed as incurred. The Organization incurred advertising expenses for the years ended December 31, 2017 and 2016 of approximately $54,000 and $45,000, respectively.

Reclassification: Certain prior year amounts have been reclassified to conform to the current year presentation. Such reclassifications had no effect on previously reported operating income or changes in net assets.

Recent accounting pronouncements: In August 2016, the Financial Accounting Services Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which simplifies and improves how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. Among other changes, the ASU replaces the three current classes of net assets with two new classes, "net assets with donor restrictions" and "net assets without donor restrictions", and expands disclosures about the nature and amount of any donor restrictions. ASU 2016-14 is effective for the Organization's fiscal year ending December 31, 2018. The Organization is currently evaluating the impact the adoption of this guidance will have on its consolidated financial statements.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies (Continued)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. The new standard is effective for the Organization's fiscal year ending December 31, 2019. The Organization is currently evaluating the impact of its adoption of the new standard on its consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for the Organization's fiscal year ending December 31, 2018. The effect on the Organization's consolidated financial statements of adopting ASU 2014-09 is considered immaterial as revenue recognition under the new standard is not materially different compared to current practice.

Subsequent events: Management of the Organization has evaluated subsequent events through May 9, 2018, the date the consolidated financial statements were issued.

Note 3. Investments

The amortized cost and fair value, together with the unrealized gains and losses, of investments are as follows at December 31:

	2017			
	Amortized Cost	Fair Value	Unrealized Gains	Unrealized Losses
U.S. Government and agency securities	$ 16,064,052	$ 15,954,089	$ 10,371	$ (120,334)

	2016			
	Amortized Cost	Fair Value	Unrealized Gains	Unrealized Losses
U.S. Government and agency securities	$ 14,089,373	$ 14,048,945	$ 42,418	$ (82,846)

Investments are reported as follows in the consolidated statements of financial position at December 31:

	2017	2016
Investments	$ 8,575,366	$ 8,507,895
Assets limited as to use	7,378,723	5,541,050
Total investments	$ 15,954,089	$ 14,048,945

Note 3. Investments (Continued)

Investment income, net of fees, consisted of the following for the years ended December 31:

	2017	2016
Interest and dividends	$ 296,759	$ 244,133
Change in net unrealized losses on investments	(69,535)	(18,741)
Net realized losses on sale of investments	3,303	(52,491)
Trust fees	(40,019)	(38,817)
	$ 190,508	$ 134,084

The amortized cost and estimated fair value of securities, by contractual maturities, are as follows at December 31, 2017:

	Amortized Cost	Fair Value
In one year or less	$ 2,224,699	$ 2,228,739
After one year through five years	8,293,429	8,214,308
After five years through ten years	4,795,924	4,761,042
After ten years through fifteen years	750,000	750,000
	$ 16,064,052	$ 15,954,089

Expected maturities for U.S. Government and agency securities may differ from contractual maturities because borrowers may have the right to call or prepay obligations without penalty.

Note 4. Fair Value Measurements

Assets and liabilities carried at fair value are required to be classified and disclosed in one of the following three categories:

- Level 1: Quoted market prices in active markets for identical assets and liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities that are carried at fair value in the consolidated financial statements.

All of the Organization’s financial assets measured at fair value on a recurring basis as of December 31, 2017 and 2016 are valued as Level 2.

Note 5. Bonds Payable, Pledged Assets and Other Credit Arrangements

The Wisconsin Health and Educational Facilities Authority (WHEFA), Series 2007 tax-exempt revenue bonds have a variable interest rate set weekly, based on the loan agreement, but not to exceed 10 percent (the rate at December 31, 2017 and 2016 was 1.84 percent and 1.30 percent, respectively). The bonds are due on demand and if not called, mature annually through 2032. The Series 2007 bonds are secured by substantially all assets of Community Care, Inc.

To secure the Series 2007 bonds, the Organization has entered into an irrevocable bank direct pay letter of credit agreement, expiring September 15, 2018 with an option to extend for an additional 18 months. The Organization intends to renew the letter of credit prior to its expiration on September 15, 2018. Because the bonds are due on demand and because the variable-rate interest is set weekly, the bonds may be remarketed upon the occurrence of either event. Under the terms of the agreement, the bank will make liquidity loans to the Organization in amounts necessary to purchase the Series 2007 bonds if not remarketed. The liquidity loans would be payable within eighteen months after the date of any draw on the letter or credit. There were no draws and no outstanding balances on the letter of credit at December 31, 2017 or 2016. The letter of credit is subject to certain financial covenants including a debt service coverage ratio and minimum change in net assets from operations. At December 31, 2017 and 2016, the outstanding balance on the Series 2007 bonds was $3,670,000 and $3,835,000, respectively. Based on the terms of the letter of credit including an option to extend for 18 months, the Series 2007 bonds are not classified as current liabilities in the consolidated statements of financial position.

In April 2013, CCHUD entered into a loan agreement with a bank. The agreement is a balloon note for $485,000, which will mature on April 25, 2020. Principal and interest payments are due monthly, with interest compounding at a rate of 3.853 percent. This term loan is secured by substantially all assets of Community Care, Inc. At December 31, 2017 and 2016, the outstanding balance on the bank loan was $425,318 and $438,769, respectively.

Scheduled principal repayments on the bonds and term loan are as follows, assuming the Series 2007 bonds are successfully remarketed. As described above, if such bonds are not remarketed then payments would be required on an accelerated schedule based on the terms of the bank letter of credit agreement.

Years Ending December 31,	Amount
2018	$ 183,986
2019	194,542
2020	586,790
2021	200,000
2022	205,000
Thereafter	2,725,000
	4,095,318
Unamortized deferred financing costs	(95,746)
	$ 3,999,572

The Organization has a line of credit agreement with a bank. The amount authorized and available under this agreement is $500,000 from January 1 through May 31 and from August 1 through December 31 of each fiscal year. From June 1 through July 31 of each fiscal year, the available credit commitment is $10,000,000. The agreement has a variable interest rate based on LIBOR, and is secured by the assets of the Organization. The agreement expires on September 15, 2018. There were no amounts outstanding on the line of credit at December 31, 2017 or 2016.

Note 6. Reported and Estimated Claims

The following table provides a reconciliation of the beginning and ending balances of reported and estimated claims for the years ended December 31:

	2017	2016
Balance at beginning of year	$ 36,744,741	$ 40,009,582
Incurred related to:		
Current year	447,229,112	425,082,257
Prior years	(415,293)	(680,937)
Total incurred	446,813,819	424,401,320
Paid related to:		
Current year	408,035,719	387,327,309
Prior years	36,329,448	40,338,852
Total paid	444,365,167	427,666,161
Balance at end of year	$ 39,193,393	$ 36,744,741

The liability for claims unpaid as of January 1, 2017 and 2016, developed slightly favorably due to lower than anticipated payments for medical claims. The reserve for unpaid claims and claim adjustment expenses attributable to insured events of prior years decreased by approximately $415,000 and $681,000 in the years ended December 31, 2017 and 2016, respectively, as a result of favorable subsequent settlement of claims compared to original estimates. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

Note 7. Leases

Operating leases: The Organization leases certain operating locations, vehicles and equipment under agreements expiring at various dates through December 2022. Generally, the leases provide that the Organization pays all taxes, insurance, maintenance and other expenses associated with the use of the operating location, vehicle or equipment.

Total rent expense under all operating leases was approximately $944,000 and $978,000 in 2017 and 2016, respectively.

Note 7. Leases (Continued)

Future minimum lease payments: The following is a schedule by years of future minimum payments under leases as of December 31, 2017:

Years Ending December 31,		
2018	$	753,000
2019		611,000
2020		366,000
2021		369,000
2022		132,000
	$	2,231,000

Note 8. Retirement Plans

CCI maintains a 401(k) plan for all employees who meet certain eligibility requirements. The Organization will match 100 percent of an employee's contribution up to 2 percent of the employee's salary. Any employee who does not contribute to the 401(k) plan will not receive an Organization match. Matching contributions expense totaled approximately $789,000 and $791,000 in 2017 and 2016, respectively.

Note 9. Major Funding Sources

The Organization received 89.3 percent and 89.4 percent of its total revenue and support from three unrelated funding sources during the years ended December 31, 2017 and 2016, respectively. Receivables from these three unrelated sources represent 84.7 percent and 79.7 percent of total accounts and grants receivable at December 31, 2017 and 2016, respectively.

Note 10. Reinsurance

The Organization has a reinsurance contract that protects against catastrophic inpatient claims. The maximum retention claim per member per year as of December 31, 2017 and 2016 is $200,000. The Organization paid reinsurance premiums of approximately $115,000 and $111,000 for the years ended December 31, 2017 and 2016, respectively. At December 31, 2017, there were reinsurance recoveries received of $31,380, and no additional expected amounts recoverable, from the 2017 contract. At December 31, 2016, there were reinsurance recoveries received of $104,613, and an additional $218,374 in expected amounts recoverable, from the 2016 contract. Reinsurance contracts do not relieve the Organization from its obligation to members. The Organization remains liable to its members for the portion reinsured to the extent that the reinsurance company does not meet the obligations assumed under the reinsurance contract.

Note 11. Insurance Accounting Practices

CCHP, as an HMO domiciled in the State of Wisconsin, is required to prepare its statutory basis financial statements in accordance with accounting practices prescribed or permitted by the OCI. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual, version effective March 1, 2009, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Wisconsin. Such practices differ in certain respects from U.S. GAAP, primarily in the non-recording of certain assets, the method of accounting for and recording investments, the calculation and recording of deferred income taxes and the language and groupings used in the presentation and disclosure of the financial statements. CCHP has issued separate financial statements that comply with these requirements.

Health insurance companies are subject to certain risk-based capital (RBC) requirements as specified by the NAIC. The RBC standards establish uniform minimum capital requirements for insurance companies. The RBC formula applies various weighting factors to financial balances or various levels of activities based on the perceived degree of risk. At December 31, 2017 and 2016, the management of CCHP believes capital and surplus is in excess of the minimum requirements of all RBC action levels.

Under the laws of the State of Wisconsin, CCHP is required to maintain a compulsory surplus of at least the greater of $750,000 or 3 percent of premiums earned by CCHP during the previous 12 months. CCHP is also required to maintain a security surplus of at least 138 percent of the compulsory surplus. At December 31, 2017 and 2016, CCHP exceeded these requirements.

Note 12. Risk and Uncertainties

CCHP's operating results and financial condition are affected by numerous factors and circumstances unique to the insurance industry, some of which it can neither predict nor control. Among them are: (1) statutorily-imposed regulatory capital requirements can limit an insurer's ability to underwrite new business or retain otherwise desirable risks; (2) an insurer's ability to enter into suitable reinsurance agreements is subject to prevailing conditions in reinsurance markets; (3) fluctuations in interest rates that affect the value and income yield of an insurer's investment portfolio in the short-term, and often affect default and prepayment rates over time; (4) inflationary pressures and medical costs affect the magnitude of claims and claims adjustment expenses, and (5) government-mandated health reform.

Note 13. Commitments and Contingencies

Government contracts are subject to audit and adjustment by funding agencies. If government revenue is recorded for expenditures which are subsequently disallowed, the Organization may be required to repay the questioned costs to the funding agency. Management of the Organization is not aware of any disallowed expenditures that would have a material adverse effect on its consolidated financial statements.

CC's contract with the DHS requires compliance with several financial measures. Management believes that CC was in compliance with the risk reserve, solvency reserve, and the working capital requirements in 2017 and 2016.

Note 13. Commitments and Contingencies (Continued)

In addition, the health care insurance industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include matters such as reimbursement for patient services, Medicare and Medicaid fraud and abuse, etc. Government activity concerning possible fraud and abuse issues involving health care insurers and providers has increased, violations of which could possibly result in penalties, as well as repayments for patient services previously billed and recorded. Management believes that the Organization is in material compliance with fraud and abuse regulations, as well as other applicable government laws.

Supplementary Information

Community Care, Inc. and Related Corporations

Schedule of Expenditures of State Awards
Year Ended December 31, 2017

	State Profile Number	Expenditures
Wisconsin Department of Health Services		
Family Care, Family Care Partnership, and PACE	N/A	$ 474,024,037
Total state awards		$ 474,024,037

The accompanying notes to schedule of expenditures of state awards are an integral part of this schedule.

Community Care, Inc. and Related Corporations

Notes to Schedule of Expenditures of State Awards

Note 1. Basis of Presentation

The accompanying schedule of expenditures of state awards (the Schedule) summarizes expenditures charged to state government grants and service contracts administered by CC and CCHP for the year ended December 31, 2017. The Schedule should be read in conjunction with Community Care Inc.'s consolidated financial statements.

For purposes of the Schedule, state awards include all grants, service contracts, and similar agreements entered into directly between CC, CCHP, and agencies and departments of the state government. The Schedule has been prepared on the accrual basis of accounting. Revenue is recognized when allowable and related reimbursable expenditures are incurred and upon meeting the legal or contractual requirements of the funding source. Expenditures of government grant funds are to be used for the purposes specified by the funding source.

Family Care, Family Care Partnership, and PACE: The information in the Schedule is presented to comply with the *Wisconsin Department of Health Services (DHS) Family Care Audit Guide*. The Family Care, Family Care Partnership, and PACE programs are not considered by the DHS to be federal financial assistance; therefore, Single Audit Act and Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

State award expenditures: State award expenditures represent the capitated revenues earned by Community Care, Inc. in the Family Care, Family Care Partnership and PACE Health and Community Support programs.

Note 2. Contingencies

All state awards are subject to review and audit by grantor agencies. Such audits could lead to requests for reimbursement by the grantor agencies for costs disallowed under the terms of the awards. It is the opinion of management that all costs charged against state awards are allowable under the regulations of those programs.

Community Care, Inc. and Related Corporations

Schedule of Grant Revenues and Expenditures by Funding Source
Year Ended December 31, 2017

	Family Care, Family Care Partnership, and PACE
Revenue	
Capitation revenue	$ 474,024,037
Grants and reimbursements	751,253
Client pay portion	55,666,243
Total revenue	530,441,533
Expenses	
Wages and benefits	49,129,783
Other direct	458,502,624
General, administrative, and occupancy	19,622,338
Total expenses	527,254,745
Excess revenues over expenditures	$ 3,186,788

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and the *Wisconsin Department of Health Services Family Care Audit Guide*

Independent Auditor's Report

Board of Directors
Community Care, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the *Wisconsin Department of Health Services (DHS) Family Care Audit Guide* issued by the Wisconsin Department of Health Services, the consolidated financial statements of Community Care, Inc. and Related Corporations, which comprise the consolidated statement of financial position as of December 31, 2017, the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated May 9, 2018.

Internal Control over Financial Reporting
In planning and performing our audit of the consolidated financial statements, we considered Community Care, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Community Care, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Care, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether Community Care, Inc.'s consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *DHS Family Care Audit Guide.*

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *DHS Family Care Audit Guide* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

Madison, Wisconsin
May 9, 2018

Community Care, Inc. and Related Corporations

Schedule of Findings and Questioned Costs
Year Ended December 31, 2017

Section I - Summary of Auditor's Results

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency or deficiencies identified?	None reported
Noncompliance material to financial statements noted:	No

Section II – Financial Statement Findings	No matters were reported
Section III – State Award Findings and Questioned Costs	No matters were reported

Section IV – Other Issues

Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern?	No
Does the audit report show audit issues (i.e. material noncompliance, non-material noncompliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue, or excess reserve) related to grants/contracts with the Wisconsin Department of Health Services?	No
Was a management letter or other document conveying audit comments issued as a result of this audit?	No

Linda Dolezalek

Linda Dolezalek, Senior Manager

Date of report: May 9, 2018

Community Care, Inc. and Related Corporations

Summary Schedule of Prior Year (2016) Findings and Questioned Costs
Year Ended December 31, 2017

No findings or questioned costs were reported in the prior year.