Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2020

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
THE 401K PLAN

1b Three-digit plan number (PN) ▶ 005

1c Effective date of plan 08/01/1985

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
HEALTHCARE SERVICE CORPORATION

1001 E. LOOKOUT DR, BLDG A2.012
RICHARDSON, TX 75082-4144

2b Employer Identification Number (EIN)
36-1236610

2c Plan Sponsor's telephone number
972-766-6192

2d Business code (see instructions)
524140

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2021	GENE GEORGE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/08/2021	GENE GEORGE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	32829
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	24456
a(2) Total number of active participants at the end of the plan year	**6a(2)**	23929
b Retired or separated participants receiving benefits	**6b**	40
c Other retired or separated participants entitled to future benefits	**6c**	8498
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	32467
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	32467
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	32220
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	420
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2S 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[X]	1	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[X]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2020 Form M-1 annual report. If the plan was not required to file the 2020 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE A
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
THE 401K PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
HEALTHCARE SERVICE CORPORATION

D Employer Identification Number (EIN)
36-1236610

Part I **Information Concerning Insurance Contract Coverage, Fees, and Commissions** Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	**(c)** NAIC code	**(d)** Contract or identification number	**(e)** Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	**(g)** To
06-1050034	93629	031576	32467	01/01/2020	12/31/2020

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	**(b)** Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4	Current value of plan's interest under this contract in the general account at year end	**4**	0
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	1728511243

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	**6b**	
c	Premiums due but unpaid at the end of the year	**6c**	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	**6d**	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity (3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee (3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year			**7b**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	
d	Total of balance and additions (add lines **7b** and **7c(6)**)			**7d**	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- **a** ☐ Health (other than dental or vision)
- **b** ☐ Dental
- **c** ☐ Vision
- **d** ☐ Life insurance
- **e** ☐ Temporary disability (accident and sickness)
- **f** ☐ Long-term disability
- **g** ☐ Supplemental unemployment
- **h** ☐ Prescription drug
- **i** ☐ Stop loss (large deductible)
- **j** ☐ HMO contract
- **k** ☐ PPO contract
- **l** ☐ Indemnity contract
- **m** ☐ Other (specify) ▶

9 Experience-rated contracts:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.			**10b**	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2020** **This Form is Open to Public Inspection.**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
THE 401K PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
HEALTHCARE SERVICE CORPORATION

D Employer Identification Number (EIN)
36-1236610

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	91900	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

WILLIS TOWERS WATSON US LLC

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 27	NONE	59699	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON, INC.

52-1868818

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	52470	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ERNST & YOUNG

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	38141	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III	**Termination Information on Accountants and Enrolled Actuaries (see instructions)** (complete as many entries as needed)

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
THE 401K PLAN

B Three-digit plan number (PN) ▶ 005

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
HEALTHCARE SERVICE CORPORATION

D Employer Identification Number (EIN)
36-1236610

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: SCV/CEREDEX

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-256	P	150874629

a Name of MTIA, CCT, PSA, or 103-12 IE: LCG/JENNISON FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-408	P	462918243

a Name of MTIA, CCT, PSA, or 103-12 IE: LCV/LSV ASSET MGMT

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-318	P	259764675

a Name of MTIA, CCT, PSA, or 103-12 IE: MCG/ARTISAN PARTNER

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-185	P	113040732

a Name of MTIA, CCT, PSA, or 103-12 IE: MCV/WELLINGTON

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-187	P	37764907

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE IFX TARG BAL

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-697	P	11908435

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU IFX SEL LT AGG GRO

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
06-1050034-511	P	4325295

a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT AGG GRO		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-511	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	1498240
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT BALANCED		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-513	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	4442665
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT BALANCED		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-513	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	203856
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT CONSER GRO		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-514	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	6269062
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT CONSER GRO		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-514	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	208779
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT GROWTH		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-512	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	977392
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT GROWTH		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-512	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	105159
a Name of MTIA, CCT, PSA, or 103-12 IE:	PRU IFX SEL LT INC & EQU		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-515	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	2116398
a Name of MTIA, CCT, PSA, or 103-12 IE:	SCG/TIMESSQUARE		
b Name of sponsor of entity listed in (a):	PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-132	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	239258214
a Name of MTIA, CCT, PSA, or 103-12 IE:	NT COLLECTIVE AGGREGATED BOND INDEX		
b Name of sponsor of entity listed in (a):	NORTHERN TRUST INVESTMENTS, INC.		
c EIN-PN 45-6138589-088	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	13854344

a Name of MTIA, CCT, PSA, or 103-12 IE: NT COLLECTIVE EXTENDED EQUITY MARKE

b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, INC.

c EIN-PN 45-6138589-110	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13146294

a Name of MTIA, CCT, PSA, or 103-12 IE: NT COLLECTIVE ALL COUNTY WORLD EX

b Name of sponsor of entity listed in (a): NORTHERN TRUST INVESTMENTS, INC.

c EIN-PN 45-6138589-223	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10061549

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE PLUS BOND/PGIM FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-036	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 220582463

a Name of MTIA, CCT, PSA, or 103-12 IE: DRYDEN S&P 500 INXED FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-123	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 212252099

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II **Information on Participating Plans (to be completed by DFEs)**
(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
THE 401K PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
HEALTHCARE SERVICE CORPORATION

D Employer Identification Number (EIN)
36-1236610

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		1758
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	51579435	51620471
(9) Value of interest in common/collective trusts	1c(9)	20649832	37062187
(10) Value of interest in pooled separate accounts	1c(10)	1406286532	1728511243
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	319711230	366463488
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	524150047	609224799

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	2322377076	2792883946
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	2322377076	2792883946

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		**(a)** Amount	**(b)** Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	60274019	
	(B) Participants	2a(1)(B)	151661822	
	(C) Others (including rollovers)	2a(1)(C)	29422213	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		241358054
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	2425573	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		2425573
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	6779340	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		6779340
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		5157740
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		346745787
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		15705137
c Other income	2c		16161138
d Total income. Add all **income** amounts in column (b) and enter total	2d		634332769
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	163539079	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		163539079
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	286820	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		286820
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		163825899
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		470506870
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unmodified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) [X] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG LLP **(2)** EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	

			Yes	No	Amount
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		30000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
THE 401K PLAN

B Three-digit plan number (PN) ▶ 005

C Plan sponsor's name as shown on line 2a of Form 5500
HEALTHCARE SERVICE CORPORATION

D Employer Identification Number (EIN)
36-1236610

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 22-1211670

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

THE 401(k) PLAN
December 31, 2020 and 2019 and Year Ended December 31, 2020
With Report of Independent Auditors

Ernst & Young LLP



THE 401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2020 and 2019 and Year Ended December 31, 2020

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Note: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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Report of Independent Auditors

HCSC Plan Administrative Committee
Health Care Service Corporation
THE 401(k) PLAN

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of THE 401(k) PLAN, which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph; however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entities that certified the investment information meet the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2020 and 2019, and for the year ended December 31, 2020, stating that the investment information provided to the plan administrator is complete and accurate.

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Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedule

The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2020, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement and Income Act of 1974.

Ernst & Young LLP

October 6, 2021

A member firm of Ernst & Young Global Limited

THE 401(k) PLAN

Statements of Net Assets Available for Benefits

	December 31	
	2020	**2019**
Assets		
Noninterest-bearing cash	**$ 1,758**	$ -
Investments, at fair value	**2,132,036,918**	1,746,647,594
Fully benefit-responsive investment contract, at contract value	**609,224,799**	524,150,047
Notes receivable from participants	**51,620,471**	51,579,435
Net assets available for benefits	**$ 2,792,883,946**	$ 2,322,377,076

See accompanying notes.

THE 401(k) PLAN

Statement of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2020
Additions	
Investment income:	
Net appreciation in fair value of investments	$ 367,608,664
Dividends	6,779,340
Interest	16,161,138
	390,549,142
Interest income on notes receivable from participants	2,425,573
Contributions:	
Employee	151,661,822
Employer	60,274,019
Rollovers	29,422,213
	241,358,054
Total additions	634,332,769
Deductions	
Benefit payments	163,539,079
Administrative expenses	286,820
Total deductions	163,825,899
Net increase	470,506,870
Net assets available for benefits, beginning of year	2,322,377,076
Net assets available for benefits, end of year	$ 2,792,883,946

See accompanying notes.

THE 401(k) PLAN

Notes to Financial Statements

December 31, 2020 and 2019

1. Description of the Plan

THE 401(k) PLAN (the Plan) is a qualified defined contribution plan covering substantially all employees, including represented employees of Health Care Service Corporation (HCSC, the Company), a Mutual Legal Reserve Company, and certain subsidiaries who are at least 21 years of age.

The following description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is administered by a committee (the Plan Administrative Committee) appointed by the Employee Benefits Compliance Committee of the Company. The Plan Administrative Committee consists of a chairman and at least two additional members. Each member is appointed by the Employee Benefits Compliance Committee. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and is exempt from federal income taxes under Section 401(a) of the Internal Revenue Code (IRC).

Prudential Retirement Insurance and Annuity Company (PRIAC) and Prudential Bank & Trust, FSB (Prudential) currently serve as the record-keepers and custodians of the Plan.

Employee Contributions

Eligible active employees of the Company, as defined by the Plan agreement, are eligible to participate in the Plan beginning at the time of employment. Leased or temporary employees are not eligible to participate in the Plan. Participants are automatically enrolled in the Plan at a deferral rate of 6% of compensation on a tax-deferred basis, subject to applicable IRC maximum amounts during the year, unless the participant chooses another percentage or elects not to participate. The maximum deferral percentage under the Plan was 75_% in 2020. Participants who have attained the age of 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or defined-contribution plans.

Employer Contributions

Company contributions to the Plan are $1.00 for each $1.00 of participant contributions, up to 1% of eligible earnings, and $0.50 for each $1.00 of salary deferral contributions above 1%, up to 6% of the participant's eligible compensation.

1. Description of the Plan (continued)

Participant Accounts

Each participant's account is credited with their contribution and the Company's employer contribution and an allocation of the Plan's earnings and is charged with an allocation of the Plan's losses and administrative expenses as well as direct participant-related account fees. Allocations are based on participant earnings or account balances, as defined.

The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested accounts. Participants direct contributions into the various investment options offered by the Plan.

Vesting

Participants are fully vested and have non-forfeitable interests in their contributions and earnings thereon at all times. Participants become fully vested in the Company contributions and earnings thereon upon retirement, disability, death, reaching the age of 65, or based upon the following vesting schedule:

Years of Service	Vested Portion
Less than 1	–%
1 but less than 2	25%
2 or more	100%

Forfeited Accounts

Forfeitures of non-vested Company contributions are applied against any administrative expenses separately billed by the record-keeper and paid by the Company, or can be used to offset the Company's matching contributions. In 2020, forfeitures of $140,709 were applied against certain administrative expenses. Forfeitures of $2,678,072 were used to offset Company matching contributions in 2020.

1. Description of the Plan (continued)

Benefit Payments

In accordance with the Plan's provisions, benefits are distributed upon termination, death, or disability in a single-sum cash payment. Participants may also take in-service withdrawals, according to the Plan provisions, and hardship withdrawals upon financial hardship, as defined by the Plan document.

In 2020 the Plan updated provisions as required by the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) which included changing the required minimum distribution age from 70 ½ to 72, and requiring beneficiaries to draw down the entire inherited interest within ten years. The amendment for these changes is required by December 31, 2022.

Additionally, the Plan adopted the hardship withdrawal changes by providing an alternative to Coronavirus Aid, Relief, and Economic Security Act (CARES Act) distributions in states that have been identified as federally declared disaster areas. The amendment for these changes is required by December 31, 2022.

On January 1, 2020 the Plan updated the provisions of the Bipartisan Budget Act of 2018 to no longer require suspension of contributions after receipt of hardship withdrawal. The amendment for the change is required by December 31, 2021.

Administrative Expenses

The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan's provisions. Administrative expenses paid by the Plan include recordkeeping and trustee fees. Expenses relating to purchases, sales, or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate. All other administrative expenses of the Plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements.

1. Description of the Plan (continued)

Participant Loans

A participant is eligible to request a loan after accumulating $2,000 in his or her account. Loans will not be made in excess of 50% of the vested account balance, not to exceed $50,000, reduced by the highest outstanding loan balance in the preceding 12 months. The minimum loan amount is $1,000. Loans are secured by the balance in the participant's account, supported by promissory notes payable to the Plan, and bear interest at a periodically published fixed rate tied to the prime rate at the time of the loan. Both principal and interest are repayable through payroll deductions over periods ranging up to 60 months. Additionally, each employee may have only one loan outstanding under the current Plan.

The Internal Revenue Service (IRS) Notice 2020-23 was also adopted on April 1, 2020 to allow the suspension of loan repayments to all participants, if requested of the Plan, and to allow delay in repayments until July 15, 2020.

Plan Termination

While the Company has not expressed any intent to discontinue the Plan, the Company's Board of Directors has the right to terminate the Plan at any time, subject to the provisions of ERISA. In the event of termination of the Plan, participants will become 100% vested in their accounts.

2. Summary of Significant Accounting Policies

New Accounting Pronouncements

In July 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) 2018-09, *Codification Improvements,* which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate whether a readily determinable fair value exists or whether its investments qualify for the net asset value per share practical expedient in accordance with ASC 820, *Fair Value Measurement.* Adoption of the amended guidance, which is to be applied prospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. The amendment is effective for fiscal years

2. Summary of Significant Accounting Policies (continued)

beginning after December 15, 2019. The Plan adopted ASU 2018-09 for the year ended December 31, 2020. In connection with the adoption, the Plan has prospectively included certain investments in the fair value hierarchy disclosure that were previously excluded from such disclosure because those investments previously used the net asset value per share practical expedient.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement,* which eliminates, adds and modifies certain disclosure requirements for fair value measurements. The amendments are effective for all entities for fiscal years beginning after December 15, 2019, but entities are permitted to early adopt either the entire standard or only the provisions that eliminate or modify the fair value disclosures. The Plan adopted ASU 2018-13 for the year ended December 31, 2020.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Payment of Benefits

Benefits to participants are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires the Plan's management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments held by the Plan (except for fully benefit-responsive investment contract) are stated at fair value. Fair value is defined under Accounting Standards Codification (ASC) 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). See Note 4 for further discussion of fair value measurements.

2. Summary of Significant Accounting Policies (continued)

To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable. These inputs reflect judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information.

Shares of registered investment companies are valued based on published market prices, which represent the NAV of shares held at year-end. Pooled separate accounts and certain common/collective trusts have a readily determinable fair value and are valued at NAV of units held at year end.

Interest income is recorded as earned on the accrual basis. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought, sold, and held during the year.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2020 and 2019. If a participant ceases to make loan repayments as agreed and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and is recorded as a benefit payment.

3. Investments

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments, at fair value, fully benefit responsive investment contracts, at contract value and notes receivable from participants held at December 31, 2020 and 2019, and net appreciation in fair value of investments, interest, dividends and interest income on notes receivable from participants for the year ended December 31, 2020, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by PRIAC and Prudential.

4. Fair Value Measurements

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Assets at Fair Value as of December 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	**$ 366,463,488**	**$ –**	**$ –**	**$ 366,463,488**
Pooled separate accounts	**–**	**1,728,511,243**	**–**	**1,728,511,243**
Common collective trusts	**–**	**37,062,187**	**–**	**37,062,187**
Total assets at fair value	**$ 366,463,488**	**$1,765,573,430**	**$ –**	**$2,132,036,918**

	Assets at Fair Value as of December 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	$ 319,711,230	$ –	$ –	$ 319,711,230
	$ 319,711,230	$ –	$ –	319,711,230
Investments measured at NAV as a practical expedient				
Pooled separate accounts[(a)]				1,406,286,532
Common collective trusts[(b)]				20,649,832
Total assets at fair value				$1,746,647,594

4. Fair Value Measurements (continued)

(a) This category includes investments in highly diversified funds designed to remain appropriate for investors in terms of risk throughout a variety of life circumstances. These funds offer a range of risk/return characteristics, and performance goals are to consistently outperform benchmarks, other funds, or certain indexes. There are currently no transfer or redemption restrictions on these investments.

(b) These funds offer a range of risk/return characteristics and performance goals are to consistently outperform benchmarks, other funds, or certain indexes. The fund reserves the right to restrict contributions and withdrawals (e.g., imposing dollar limits to avoid any limitations or impact across the fund as a result of market conditions). There were no restrictions in 2020.

There were no assets or liabilities measured at fair value on a nonrecurring basis as of December 31, 2020 and 2019.

5. Fully Benefit-Responsive Investment Contracts

The Plan has entered into a fully benefit-responsive investment contract with PRIAC, which meets the fully benefit-responsive contract criteria and, therefore, is reported at contract value. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under terms of the Plan. PRIAC maintains the contributions in a separate account. The separate account, which is segregated from the general account assets of PRIAC, is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Payment obligations and the fulfillment of any guarantees specified in the group insurance claims are supported by the assets in the separate account and, if such assets are not sufficient, by the full faith and credit of PRIAC.

Contract value, as reported to the Plan by PRIAC, represents contributions made under the contract plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Participant-directed redemptions have no significant restrictions; however, the Plan is required to provide 30-day termination notice to liquidate its entire contract.

Interest is credited on contract balances using a single “portfolio rate” approach. Under this methodology, a single interest crediting rate is applied to all contributions made, regardless of the timing of those contributions. The crediting interest rate is based on a formula agreed upon with PRIAC, but may not be less than 0%. Such interest rates are reviewed on a semiannual basis for

5. Fully Benefit-Responsive Investment Contracts (continued)

resetting. In determining the interest rate, consideration is given to the anticipated yield on the separate account for the following calendar year, adjusted to reflect the amortization of gains or losses realized from the sale of securities, amortization of gains or losses due to permanent impairments and the difference between the amount of interest credited to date to the HCSC investment contract and the underlying investments results of the separate account. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include: (i) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan); (ii) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (iii) bankruptcy of the Plan sponsor or other Plan sponsor events (e.g., divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan; or (iv) the failure of the trust to qualify for exemption from Federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that the occurrence of any such events, which would limit the Plan's ability to transact at contract value with participants, is probable.

6. Income Tax Status

The Plan has received a determination letter from the IRS dated April 26, 2017, stating the Plan is qualified under Section 401(a) of the IRC, and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. The changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

In March 2020, the financial markets experienced volatility due to the coronavirus pandemic. However, the markets have subsequently materially recovered as of the date of this report. Nevertheless, due to the inherent uncertainty of the market reactions during this time, Plan management has not predicted nor estimated, the long-term impact of the pandemic on the assets of the Plan.

8. Related-Party Transactions

The investment contract and the units of pooled separate accounts held by the Plan are managed by PRIAC and Prudential, the custodians of the Plan; therefore, these transactions qualify as party-in-interest transactions. Fees were paid by the Plan to the custodians for certain transactions and certain investment management services.

9. Subsequent Events

Management evaluated subsequent events for the Plan through October 6, 2021, the date the financial statements were available to be issued.

Supplemental Schedule

THE 401(k) PLAN

EIN 36-1236610 No.: Plan 005

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2020

Identity of Issue	Description of Investments	Current Value
Pooled separate accounts:		
*(PRIAC)	Large Cap Growth/Jennison Fund	$ 259,764,675
	Mid Cap/Artisan	113,040,732
	Mid Cap/Wellington	37,764,907
	Small Cap Timessquare	239,258,214
	Small Cap Ceredex	150,874,629
	Pru Day IFX Target Balance	11,908,435
	Large Cap Growth/LSV	462,918,243
	IFX LT Agg Growth	4,325,295
	IFX Income & Equity	2,116,398
	IFX Sel LT Growth	977,392
	IFX LT Growth Fund	105,159
	IFX Sel LT Agg Growth Fund	1,498,240
	IFX LT Balanced Fund	4,442,665
	IFX Sel LT Balanced	203,856
	IFX Sel Conservative Growth	6,269,062
	IFX Sel LT Conservative Growth	208,779
	S&P Index Fund	212,252,099
	Core Bond Ehan Index/PGIM	220,582,463
Common collective trusts:		
Northern Trust Investments, Inc.	Northern Trust Ext EQ MK	13,146,294
	Northern Trust ACWI EXUS	10,061,549
	Northern Trust Agg Bd IND	13,854,344
HCSC Stable Value Fund:		
*(PRIAC)	Stable Value Fund	609,224,799
Registered Investment Companies	Dodge & Cox International Stock Fund	366,463,488
* Participant loans	Interest rates ranging from 3.25% to 5.5%	51,620,471
Total investments		$ 2,792,882,188

* Represents a party in interest.

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FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

THE 401(k) PLAN
December 31, 2020 and 2019 and Year Ended December 31, 2020
With Report of Independent Auditors

Ernst & Young LLP



THE 401(k) PLAN

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Building a better working world

Report of Independent Auditors

HCSC Plan Administrative Committee
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THE 401(k) PLAN

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of THE 401(k) PLAN, which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph; however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entities that certified the investment information meet the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2020 and 2019, and for the year ended December 31, 2020, stating that the investment information provided to the plan administrator is complete and accurate.

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Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Disclaimer of Opinion on Supplemental Schedule

The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2020, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the certified investment information, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement and Income Act of 1974.

Ernst & Young LLP

October 6, 2021

A member firm of Ernst & Young Global Limited

THE 401(k) PLAN

Statements of Net Assets Available for Benefits

	December 31	
	2020	**2019**
Assets		
Noninterest-bearing cash	**$ 1,758**	$ -
Investments, at fair value	**2,132,036,918**	1,746,647,594
Fully benefit-responsive investment contract, at contract value	**609,224,799**	524,150,047
Notes receivable from participants	**51,620,471**	51,579,435
Net assets available for benefits	**$ 2,792,883,946**	$ 2,322,377,076

See accompanying notes.

THE 401(k) PLAN

Statement of Changes in Net Assets Available for Benefits

	Year Ended December 31, 2020
Additions	
Investment income:	
Net appreciation in fair value of investments	$ 367,608,664
Dividends	6,779,340
Interest	16,161,138
	390,549,142
Interest income on notes receivable from participants	2,425,573
Contributions:	
Employee	151,661,822
Employer	60,274,019
Rollovers	29,422,213
	241,358,054
Total additions	634,332,769
Deductions	
Benefit payments	163,539,079
Administrative expenses	286,820
Total deductions	163,825,899
Net increase	470,506,870
Net assets available for benefits, beginning of year	2,322,377,076
Net assets available for benefits, end of year	$ 2,792,883,946

See accompanying notes.

THE 401(k) PLAN

Notes to Financial Statements

December 31, 2020 and 2019

1. Description of the Plan

THE 401(k) PLAN (the Plan) is a qualified defined contribution plan covering substantially all employees, including represented employees of Health Care Service Corporation (HCSC, the Company), a Mutual Legal Reserve Company, and certain subsidiaries who are at least 21 years of age.

The following description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is administered by a committee (the Plan Administrative Committee) appointed by the Employee Benefits Compliance Committee of the Company. The Plan Administrative Committee consists of a chairman and at least two additional members. Each member is appointed by the Employee Benefits Compliance Committee. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA) and is exempt from federal income taxes under Section 401(a) of the Internal Revenue Code (IRC).

Prudential Retirement Insurance and Annuity Company (PRIAC) and Prudential Bank & Trust, FSB (Prudential) currently serve as the record-keepers and custodians of the Plan.

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Eligible active employees of the Company, as defined by the Plan agreement, are eligible to participate in the Plan beginning at the time of employment. Leased or temporary employees are not eligible to participate in the Plan. Participants are automatically enrolled in the Plan at a deferral rate of 6% of compensation on a tax-deferred basis, subject to applicable IRC maximum amounts during the year, unless the participant chooses another percentage or elects not to participate. The maximum deferral percentage under the Plan was 75_% in 2020. Participants who have attained the age of 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined-benefit or defined-contribution plans.

Employer Contributions

Company contributions to the Plan are $1.00 for each $1.00 of participant contributions, up to 1% of eligible earnings, and $0.50 for each $1.00 of salary deferral contributions above 1%, up to 6% of the participant's eligible compensation.

1. Description of the Plan (continued)

Participant Accounts

Each participant's account is credited with their contribution and the Company's employer contribution and an allocation of the Plan's earnings and is charged with an allocation of the Plan's losses and administrative expenses as well as direct participant-related account fees. Allocations are based on participant earnings or account balances, as defined.

The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested accounts. Participants direct contributions into the various investment options offered by the Plan.

Vesting

Participants are fully vested and have non-forfeitable interests in their contributions and earnings thereon at all times. Participants become fully vested in the Company contributions and earnings thereon upon retirement, disability, death, reaching the age of 65, or based upon the following vesting schedule:

Years of Service	Vested Portion
Less than 1	–%
1 but less than 2	25%
2 or more	100%

Forfeited Accounts

Forfeitures of non-vested Company contributions are applied against any administrative expenses separately billed by the record-keeper and paid by the Company, or can be used to offset the Company's matching contributions. In 2020, forfeitures of $140,709 were applied against certain administrative expenses. Forfeitures of $2,678,072 were used to offset Company matching contributions in 2020.

1. Description of the Plan (continued)

Benefit Payments

In accordance with the Plan's provisions, benefits are distributed upon termination, death, or disability in a single-sum cash payment. Participants may also take in-service withdrawals, according to the Plan provisions, and hardship withdrawals upon financial hardship, as defined by the Plan document.

In 2020 the Plan updated provisions as required by the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) which included changing the required minimum distribution age from 70 ½ to 72, and requiring beneficiaries to draw down the entire inherited interest within ten years. The amendment for these changes is required by December 31, 2022.

Additionally, the Plan adopted the hardship withdrawal changes by providing an alternative to Coronavirus Aid, Relief, and Economic Security Act (CARES Act) distributions in states that have been identified as federally declared disaster areas. The amendment for these changes is required by December 31, 2022.

On January 1, 2020 the Plan updated the provisions of the Bipartisan Budget Act of 2018 to no longer require suspension of contributions after receipt of hardship withdrawal. The amendment for the change is required by December 31, 2021.

Administrative Expenses

The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan's provisions. Administrative expenses paid by the Plan include recordkeeping and trustee fees. Expenses relating to purchases, sales, or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate. All other administrative expenses of the Plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements.

1. Description of the Plan (continued)

Participant Loans

A participant is eligible to request a loan after accumulating $2,000 in his or her account. Loans will not be made in excess of 50% of the vested account balance, not to exceed $50,000, reduced by the highest outstanding loan balance in the preceding 12 months. The minimum loan amount is $1,000. Loans are secured by the balance in the participant's account, supported by promissory notes payable to the Plan, and bear interest at a periodically published fixed rate tied to the prime rate at the time of the loan. Both principal and interest are repayable through payroll deductions over periods ranging up to 60 months. Additionally, each employee may have only one loan outstanding under the current Plan.

The Internal Revenue Service (IRS) Notice 2020-23 was also adopted on April 1, 2020 to allow the suspension of loan repayments to all participants, if requested of the Plan, and to allow delay in repayments until July 15, 2020.

Plan Termination

While the Company has not expressed any intent to discontinue the Plan, the Company's Board of Directors has the right to terminate the Plan at any time, subject to the provisions of ERISA. In the event of termination of the Plan, participants will become 100% vested in their accounts.

2. Summary of Significant Accounting Policies

New Accounting Pronouncements

In July 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) 2018-09, *Codification Improvements,* which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate whether a readily determinable fair value exists or whether its investments qualify for the net asset value per share practical expedient in accordance with ASC 820, *Fair Value Measurement.* Adoption of the amended guidance, which is to be applied prospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. The amendment is effective for fiscal years

2. Summary of Significant Accounting Policies (continued)

beginning after December 15, 2019. The Plan adopted ASU 2018-09 for the year ended December 31, 2020. In connection with the adoption, the Plan has prospectively included certain investments in the fair value hierarchy disclosure that were previously excluded from such disclosure because those investments previously used the net asset value per share practical expedient.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement,* which eliminates, adds and modifies certain disclosure requirements for fair value measurements. The amendments are effective for all entities for fiscal years beginning after December 15, 2019, but entities are permitted to early adopt either the entire standard or only the provisions that eliminate or modify the fair value disclosures. The Plan adopted ASU 2018-13 for the year ended December 31, 2020.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Payment of Benefits

Benefits to participants are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires the Plan's management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments held by the Plan (except for fully benefit-responsive investment contract) are stated at fair value. Fair value is defined under Accounting Standards Codification (ASC) 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). See Note 4 for further discussion of fair value measurements.

2. Summary of Significant Accounting Policies (continued)

To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable. These inputs reflect judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information.

Shares of registered investment companies are valued based on published market prices, which represent the NAV of shares held at year-end. Pooled separate accounts and certain common/collective trusts have a readily determinable fair value and are valued at NAV of units held at year end.

Interest income is recorded as earned on the accrual basis. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought, sold, and held during the year.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2020 and 2019. If a participant ceases to make loan repayments as agreed and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and is recorded as a benefit payment.

3. Investments

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments, at fair value, fully benefit responsive investment contracts, at contract value and notes receivable from participants held at December 31, 2020 and 2019, and net appreciation in fair value of investments, interest, dividends and interest income on notes receivable from participants for the year ended December 31, 2020, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by PRIAC and Prudential.

4. Fair Value Measurements

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Assets at Fair Value as of December 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	**$ 366,463,488**	**$ –**	**$ –**	**$ 366,463,488**
Pooled separate accounts	**–**	**1,728,511,243**	**–**	**1,728,511,243**
Common collective trusts	**–**	**37,062,187**	**–**	**37,062,187**
Total assets at fair value	**$ 366,463,488**	**$1,765,573,430**	**$ –**	**$2,132,036,918**

	Assets at Fair Value as of December 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	$ 319,711,230	$ –	$ –	$ 319,711,230
	$ 319,711,230	$ –	$ –	319,711,230
Investments measured at NAV as a practical expedient				
Pooled separate accounts[(a)]				1,406,286,532
Common collective trusts[(b)]				20,649,832
Total assets at fair value				$1,746,647,594

4. Fair Value Measurements (continued)

(a) This category includes investments in highly diversified funds designed to remain appropriate for investors in terms of risk throughout a variety of life circumstances. These funds offer a range of risk/return characteristics, and performance goals are to consistently outperform benchmarks, other funds, or certain indexes. There are currently no transfer or redemption restrictions on these investments.

(b) These funds offer a range of risk/return characteristics and performance goals are to consistently outperform benchmarks, other funds, or certain indexes. The fund reserves the right to restrict contributions and withdrawals (e.g., imposing dollar limits to avoid any limitations or impact across the fund as a result of market conditions). There were no restrictions in 2020.

There were no assets or liabilities measured at fair value on a nonrecurring basis as of December 31, 2020 and 2019.

5. Fully Benefit-Responsive Investment Contracts

The Plan has entered into a fully benefit-responsive investment contract with PRIAC, which meets the fully benefit-responsive contract criteria and, therefore, is reported at contract value. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under terms of the Plan. PRIAC maintains the contributions in a separate account. The separate account, which is segregated from the general account assets of PRIAC, is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Payment obligations and the fulfillment of any guarantees specified in the group insurance claims are supported by the assets in the separate account and, if such assets are not sufficient, by the full faith and credit of PRIAC.

Contract value, as reported to the Plan by PRIAC, represents contributions made under the contract plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Participant-directed redemptions have no significant restrictions; however, the Plan is required to provide 30-day termination notice to liquidate its entire contract.

Interest is credited on contract balances using a single “portfolio rate” approach. Under this methodology, a single interest crediting rate is applied to all contributions made, regardless of the timing of those contributions. The crediting interest rate is based on a formula agreed upon with PRIAC, but may not be less than 0%. Such interest rates are reviewed on a semiannual basis for

5. Fully Benefit-Responsive Investment Contracts (continued)

resetting. In determining the interest rate, consideration is given to the anticipated yield on the separate account for the following calendar year, adjusted to reflect the amortization of gains or losses realized from the sale of securities, amortization of gains or losses due to permanent impairments and the difference between the amount of interest credited to date to the HCSC investment contract and the underlying investments results of the separate account. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include: (i) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan); (ii) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (iii) bankruptcy of the Plan sponsor or other Plan sponsor events (e.g., divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan; or (iv) the failure of the trust to qualify for exemption from Federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that the occurrence of any such events, which would limit the Plan's ability to transact at contract value with participants, is probable.

6. Income Tax Status

The Plan has received a determination letter from the IRS dated April 26, 2017, stating the Plan is qualified under Section 401(a) of the IRC, and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. The changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

In March 2020, the financial markets experienced volatility due to the coronavirus pandemic. However, the markets have subsequently materially recovered as of the date of this report. Nevertheless, due to the inherent uncertainty of the market reactions during this time, Plan management has not predicted nor estimated, the long-term impact of the pandemic on the assets of the Plan.

8. Related-Party Transactions

The investment contract and the units of pooled separate accounts held by the Plan are managed by PRIAC and Prudential, the custodians of the Plan; therefore, these transactions qualify as party-in-interest transactions. Fees were paid by the Plan to the custodians for certain transactions and certain investment management services.

9. Subsequent Events

Management evaluated subsequent events for the Plan through October 6, 2021, the date the financial statements were available to be issued.

Supplemental Schedule

THE 401(k) PLAN

EIN 36-1236610 No.: Plan 005

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2020

Identity of Issue	Description of Investments	Current Value
Pooled separate accounts:		
*(PRIAC)	Large Cap Growth/Jennison Fund	$ 259,764,675
	Mid Cap/Artisan	113,040,732
	Mid Cap/Wellington	37,764,907
	Small Cap Timessquare	239,258,214
	Small Cap Ceredex	150,874,629
	Pru Day IFX Target Balance	11,908,435
	Large Cap Growth/LSV	462,918,243
	IFX LT Agg Growth	4,325,295
	IFX Income & Equity	2,116,398
	IFX Sel LT Growth	977,392
	IFX LT Growth Fund	105,159
	IFX Sel LT Agg Growth Fund	1,498,240
	IFX LT Balanced Fund	4,442,665
	IFX Sel LT Balanced	203,856
	IFX Sel Conservative Growth	6,269,062
	IFX Sel LT Conservative Growth	208,779
	S&P Index Fund	212,252,099
	Core Bond Ehan Index/PGIM	220,582,463
Common collective trusts:		
Northern Trust Investments, Inc.	Northern Trust Ext EQ MK	13,146,294
	Northern Trust ACWI EXUS	10,061,549
	Northern Trust Agg Bd IND	13,854,344
HCSC Stable Value Fund:		
*(PRIAC)	Stable Value Fund	609,224,799
Registered Investment Companies	Dodge & Cox International Stock Fund	366,463,488
* Participant loans	Interest rates ranging from 3.25% to 5.5%	51,620,471
Total investments		$ 2,792,882,188

* Represents a party in interest.

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FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

THE 401(k) PLAN
December 31, 2020 and 2019 and Year Ended December 31, 2020
With Report of Independent Auditors

Ernst & Young LLP



THE 401(k) PLAN

Financial Statements and Supplemental Schedule

December 31, 2020 and 2019 and Year Ended December 31, 2020

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Note: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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Building a better working world

Report of Independent Auditors

HCSC Plan Administrative Committee
Health Care Service Corporation
THE 401(k) PLAN

Report on the Financial Statements

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Ernst & Young LLP

October 6, 2021

A member firm of Ernst & Young Global Limited

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1. Description of the Plan (continued)

Participant Accounts

Each participant's account is credited with their contribution and the Company's employer contribution and an allocation of the Plan's earnings and is charged with an allocation of the Plan's losses and administrative expenses as well as direct participant-related account fees. Allocations are based on participant earnings or account balances, as defined.

The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested accounts. Participants direct contributions into the various investment options offered by the Plan.

Vesting

Participants are fully vested and have non-forfeitable interests in their contributions and earnings thereon at all times. Participants become fully vested in the Company contributions and earnings thereon upon retirement, disability, death, reaching the age of 65, or based upon the following vesting schedule:

Years of Service	Vested Portion
Less than 1	–%
1 but less than 2	25%
2 or more	100%

Forfeited Accounts

Forfeitures of non-vested Company contributions are applied against any administrative expenses separately billed by the record-keeper and paid by the Company, or can be used to offset the Company's matching contributions. In 2020, forfeitures of $140,709 were applied against certain administrative expenses. Forfeitures of $2,678,072 were used to offset Company matching contributions in 2020.

1. Description of the Plan (continued)

Benefit Payments

In accordance with the Plan's provisions, benefits are distributed upon termination, death, or disability in a single-sum cash payment. Participants may also take in-service withdrawals, according to the Plan provisions, and hardship withdrawals upon financial hardship, as defined by the Plan document.

In 2020 the Plan updated provisions as required by the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) which included changing the required minimum distribution age from 70 ½ to 72, and requiring beneficiaries to draw down the entire inherited interest within ten years. The amendment for these changes is required by December 31, 2022.

Additionally, the Plan adopted the hardship withdrawal changes by providing an alternative to Coronavirus Aid, Relief, and Economic Security Act (CARES Act) distributions in states that have been identified as federally declared disaster areas. The amendment for these changes is required by December 31, 2022.

On January 1, 2020 the Plan updated the provisions of the Bipartisan Budget Act of 2018 to no longer require suspension of contributions after receipt of hardship withdrawal. The amendment for the change is required by December 31, 2021.

Administrative Expenses

The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan's provisions. Administrative expenses paid by the Plan include recordkeeping and trustee fees. Expenses relating to purchases, sales, or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate. All other administrative expenses of the Plan are paid by the Company. Expenses that are paid by the Company are excluded from these financial statements.

1. Description of the Plan (continued)

Participant Loans

A participant is eligible to request a loan after accumulating $2,000 in his or her account. Loans will not be made in excess of 50% of the vested account balance, not to exceed $50,000, reduced by the highest outstanding loan balance in the preceding 12 months. The minimum loan amount is $1,000. Loans are secured by the balance in the participant's account, supported by promissory notes payable to the Plan, and bear interest at a periodically published fixed rate tied to the prime rate at the time of the loan. Both principal and interest are repayable through payroll deductions over periods ranging up to 60 months. Additionally, each employee may have only one loan outstanding under the current Plan.

The Internal Revenue Service (IRS) Notice 2020-23 was also adopted on April 1, 2020 to allow the suspension of loan repayments to all participants, if requested of the Plan, and to allow delay in repayments until July 15, 2020.

Plan Termination

While the Company has not expressed any intent to discontinue the Plan, the Company's Board of Directors has the right to terminate the Plan at any time, subject to the provisions of ERISA. In the event of termination of the Plan, participants will become 100% vested in their accounts.

2. Summary of Significant Accounting Policies

New Accounting Pronouncements

In July 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updates (ASU) 2018-09, *Codification Improvements,* which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate whether a readily determinable fair value exists or whether its investments qualify for the net asset value per share practical expedient in accordance with ASC 820, *Fair Value Measurement.* Adoption of the amended guidance, which is to be applied prospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. The amendment is effective for fiscal years

2. Summary of Significant Accounting Policies (continued)

beginning after December 15, 2019. The Plan adopted ASU 2018-09 for the year ended December 31, 2020. In connection with the adoption, the Plan has prospectively included certain investments in the fair value hierarchy disclosure that were previously excluded from such disclosure because those investments previously used the net asset value per share practical expedient.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement,* which eliminates, adds and modifies certain disclosure requirements for fair value measurements. The amendments are effective for all entities for fiscal years beginning after December 15, 2019, but entities are permitted to early adopt either the entire standard or only the provisions that eliminate or modify the fair value disclosures. The Plan adopted ASU 2018-13 for the year ended December 31, 2020.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Payment of Benefits

Benefits to participants are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires the Plan's management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments held by the Plan (except for fully benefit-responsive investment contract) are stated at fair value. Fair value is defined under Accounting Standards Codification (ASC) 820 as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). See Note 4 for further discussion of fair value measurements.

2. Summary of Significant Accounting Policies (continued)

To measure fair value, a hierarchy has been established that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. As such, the hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy in ASC 820 are described below:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable. These inputs reflect judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information.

Shares of registered investment companies are valued based on published market prices, which represent the NAV of shares held at year-end. Pooled separate accounts and certain common/collective trusts have a readily determinable fair value and are valued at NAV of units held at year end.

Interest income is recorded as earned on the accrual basis. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought, sold, and held during the year.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2020 and 2019. If a participant ceases to make loan repayments as agreed and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and is recorded as a benefit payment.

3. Investments

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments, at fair value, fully benefit responsive investment contracts, at contract value and notes receivable from participants held at December 31, 2020 and 2019, and net appreciation in fair value of investments, interest, dividends and interest income on notes receivable from participants for the year ended December 31, 2020, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by PRIAC and Prudential.

4. Fair Value Measurements

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Assets at Fair Value as of December 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	**$ 366,463,488**	**$ –**	**$ –**	**$ 366,463,488**
Pooled separate accounts	**–**	**1,728,511,243**	**–**	**1,728,511,243**
Common collective trusts	**–**	**37,062,187**	**–**	**37,062,187**
Total assets at fair value	**$ 366,463,488**	**$1,765,573,430**	**$ –**	**$2,132,036,918**

	Assets at Fair Value as of December 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Registered investment companies	$ 319,711,230	$ –	$ –	$ 319,711,230
	$ 319,711,230	$ –	$ –	319,711,230
Investments measured at NAV as a practical expedient				
Pooled separate accounts[(a)]				1,406,286,532
Common collective trusts[(b)]				20,649,832
Total assets at fair value				$1,746,647,594

4. Fair Value Measurements (continued)

(a) This category includes investments in highly diversified funds designed to remain appropriate for investors in terms of risk throughout a variety of life circumstances. These funds offer a range of risk/return characteristics, and performance goals are to consistently outperform benchmarks, other funds, or certain indexes. There are currently no transfer or redemption restrictions on these investments.

(b) These funds offer a range of risk/return characteristics and performance goals are to consistently outperform benchmarks, other funds, or certain indexes. The fund reserves the right to restrict contributions and withdrawals (e.g., imposing dollar limits to avoid any limitations or impact across the fund as a result of market conditions). There were no restrictions in 2020.

There were no assets or liabilities measured at fair value on a nonrecurring basis as of December 31, 2020 and 2019.

5. Fully Benefit-Responsive Investment Contracts

The Plan has entered into a fully benefit-responsive investment contract with PRIAC, which meets the fully benefit-responsive contract criteria and, therefore, is reported at contract value. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under terms of the Plan. PRIAC maintains the contributions in a separate account. The separate account, which is segregated from the general account assets of PRIAC, is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. Payment obligations and the fulfillment of any guarantees specified in the group insurance claims are supported by the assets in the separate account and, if such assets are not sufficient, by the full faith and credit of PRIAC.

Contract value, as reported to the Plan by PRIAC, represents contributions made under the contract plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Participant-directed redemptions have no significant restrictions; however, the Plan is required to provide 30-day termination notice to liquidate its entire contract.

Interest is credited on contract balances using a single “portfolio rate” approach. Under this methodology, a single interest crediting rate is applied to all contributions made, regardless of the timing of those contributions. The crediting interest rate is based on a formula agreed upon with PRIAC, but may not be less than 0%. Such interest rates are reviewed on a semiannual basis for

5. Fully Benefit-Responsive Investment Contracts (continued)

resetting. In determining the interest rate, consideration is given to the anticipated yield on the separate account for the following calendar year, adjusted to reflect the amortization of gains or losses realized from the sale of securities, amortization of gains or losses due to permanent impairments and the difference between the amount of interest credited to date to the HCSC investment contract and the underlying investments results of the separate account. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include: (i) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan); (ii) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (iii) bankruptcy of the Plan sponsor or other Plan sponsor events (e.g., divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan; or (iv) the failure of the trust to qualify for exemption from Federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe that the occurrence of any such events, which would limit the Plan's ability to transact at contract value with participants, is probable.

6. Income Tax Status

The Plan has received a determination letter from the IRS dated April 26, 2017, stating the Plan is qualified under Section 401(a) of the IRC, and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term. The changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

In March 2020, the financial markets experienced volatility due to the coronavirus pandemic. However, the markets have subsequently materially recovered as of the date of this report. Nevertheless, due to the inherent uncertainty of the market reactions during this time, Plan management has not predicted nor estimated, the long-term impact of the pandemic on the assets of the Plan.

8. Related-Party Transactions

The investment contract and the units of pooled separate accounts held by the Plan are managed by PRIAC and Prudential, the custodians of the Plan; therefore, these transactions qualify as party-in-interest transactions. Fees were paid by the Plan to the custodians for certain transactions and certain investment management services.

9. Subsequent Events

Management evaluated subsequent events for the Plan through October 6, 2021, the date the financial statements were available to be issued.

Supplemental Schedule

THE 401(k) PLAN

EIN 36-1236610 No.: Plan 005

Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)

December 31, 2020

Identity of Issue	Description of Investments	Current Value
Pooled separate accounts:		
*(PRIAC)	Large Cap Growth/Jennison Fund	$ 259,764,675
	Mid Cap/Artisan	113,040,732
	Mid Cap/Wellington	37,764,907
	Small Cap Timessquare	239,258,214
	Small Cap Ceredex	150,874,629
	Pru Day IFX Target Balance	11,908,435
	Large Cap Growth/LSV	462,918,243
	IFX LT Agg Growth	4,325,295
	IFX Income & Equity	2,116,398
	IFX Sel LT Growth	977,392
	IFX LT Growth Fund	105,159
	IFX Sel LT Agg Growth Fund	1,498,240
	IFX LT Balanced Fund	4,442,665
	IFX Sel LT Balanced	203,856
	IFX Sel Conservative Growth	6,269,062
	IFX Sel LT Conservative Growth	208,779
	S&P Index Fund	212,252,099
	Core Bond Ehan Index/PGIM	220,582,463
Common collective trusts:		
Northern Trust Investments, Inc.	Northern Trust Ext EQ MK	13,146,294
	Northern Trust ACWI EXUS	10,061,549
	Northern Trust Agg Bd IND	13,854,344
HCSC Stable Value Fund:		
*(PRIAC)	Stable Value Fund	609,224,799
Registered Investment Companies	Dodge & Cox International Stock Fund	366,463,488
* Participant loans	Interest rates ranging from 3.25% to 5.5%	51,620,471
Total investments		$ 2,792,882,188

* Represents a party in interest.

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