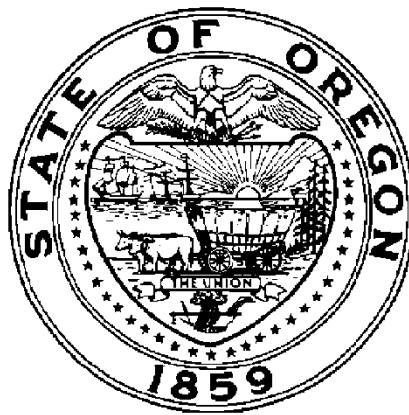


STATE OF OREGON
DEPARTMENT OF
CONSUMER AND BUSINESS
SERVICES
DIVISION OF FINANCIAL
REGULATION



REPORT OF FINANCIAL EXAMINATION

OF

REGENCE HMO OREGON
PORTLAND, OREGON

AS OF

DEC. 31, 2023

STATE OF OREGON

DEPARTMENT OF CONSUMER AND BUSINESS SERVICES

DIVISION OF FINANCIAL REGULATION

REPORT OF FINANCIAL EXAMINATION

OF

**REGENCE HMO OREGON
PORTLAND, OREGON**

NAIC COMPANY CODE 95699

AS OF

DEC. 31, 2023

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SALUTATION

Apr. 29, 2025

Honorable Andrew R. Stolfi, director
Department of Consumer and Business Services
Division of Financial Regulation
State of Oregon
350 Winter St. NE
Salem, OR 97301-3883

Dear Director Stolfi:

According to your instructions and guidelines in the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook*, under Oregon Revised Statutes (ORS) 731.300 and 731.302, respectively, we have examined the business affairs and financial condition of

**REGENCE HMO OREGON
200 SW Market St.
Portland, Oregon 97201**

NAIC Company Code 95699

hereinafter referred to as the “plan.” The following report is respectfully submitted.

SCOPE OF EXAMINATION

We have performed our regular, triennial, multistate examination of Regence HMO Oregon, conducted with the insurance regulators from the states of Idaho, Utah, and Washington, for the coordinated examination of insurers under Cambia Health Solutions Inc. (“Cambia”). Oregon was designated as the lead state. The examination was conducted in conjunction with the examination of eight affiliated health care service contractors and one life and health insurers. A separate report of examination will be prepared for each entity. The last examination of this health care service contractor was completed as of Dec. 31, 2020. This examination covers the period of Jan. 1, 2021, to Dec. 31, 2023.

We conducted our examination under ORS 731.300 and according to ORS 731.302(1), which allows the examiners to consider the guidelines and procedures in the NAIC *Financial Condition Examiners Handbook*. The handbook requires that we plan and perform the examination to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the plan, and evaluate system controls and procedures used to mitigate those risks. An examination also includes identifying and evaluating significant risks that could cause an insurer’s surplus to be materially misstated currently and prospectively.

All accounts and activities of the plan were considered according to the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with statutory accounting principles. The examination does not attest to the fair presentation of the financial statements included; if, during the course of the examination an adjustment is identified, the effect of such an adjustment will be documented separately following the plan’s financial statements.

This examination report includes significant findings of fact, as mentioned in ORS 731.302, and general information about the insurer and its financial condition. There may be other items identified during the examination that, due to their nature (e.g., subjective conclusions or proprietary information), are not included within the examination report, but separately communicated to other regulators and the plan.

COMPANY HISTORY

The plan was incorporated as a nonprofit corporation in Oregon on Nov. 24, 1976, under the name Capitol Health Care Inc., and received its certificate of authority as a domestic health care service contractor under ORS chapter 750 on March 1, 1977. Before its incorporation on Sept. 23, 1976, the plan entered into an agreement with the U.S. Secretary of Health, Education, and Welfare as a health maintenance organization (HMO) to provide benefits and services under the federal Medicare program. In March 1978, the plan became a federally qualified health maintenance organization under the provisions of Title XIII of the Public Health Service Act. Capitol Health Care was renamed HMO Oregon on Oct. 22, 1993.

Dividends to stockholders and other distributions

During the period under examination, the plan has not paid any cash dividends nor made any distributions to its sole member.

CORPORATE RECORDS

Board minutes

In general, the review of the board meeting minutes of the plan indicated the minutes support the transactions of the plan and clearly describe the actions taken by its directors. A quorum, as defined by the plan's bylaws, met at all of the meetings held during the period under review.

Neither the plan's articles nor its bylaws authorize any standing committee, but they do state the board may appoint special committees for specific purposes and for a limited duration. Instead, the plan relies on appointed committees of the ultimate parent, Cambia. There are five committees authorized to help in the management of Cambia, as follows:

- Audit and compliance committee
- Investment committee
- Organizational and governance committee
- Personnel and compensation committee
- Strategies initiatives committee

A review of the board minutes indicated the compensation of Cambia's chief executive officer (CEO) is approved through the personnel and compensation committee, which is then approved by the board. Compensation of other senior officers, including the plan's president, is indirectly approved through the board's approval of an annual budget. This process complies with the provisions of ORS 732.320(3).

Articles of incorporation

The plan's articles of incorporation were last amended on July 30, 2003. No changes were made during the period under examination. The articles of incorporation conformed to the Oregon Insurance Code.

Bylaws

The bylaws were last amended and restated on June 26, 2012. No changes were made during the period under examination. The plan's bylaws conform to Oregon statutes.

MANAGEMENT AND CONTROL

Board of directors

The bylaws, in Article II – Section 2, state the business affairs of the corporation shall be managed by its board of directors. Section 2 states the number of directors constituting the board of directors shall not be less than five nor more than nine. The plan was governed by a five-member board of directors on Dec. 31, 2023, as follows:

<u>Name and address</u>	<u>Principal affiliation</u>	<u>Representative</u>	<u>Member since</u>
John W. Attey Portland, Oregon	Executive vice president and chief legal officer Cambia Health Solutions Inc.	Plan	2015
Michael G. Cole Portland, Oregon	President Regence BlueCross BlueShield of Oregon	Plan	2023
Chrisopher G. Blanton Sammamish, Washington	Senior vice president of commercial and ancillary markets Cambia Health Solutions Inc.	Plan	2021
Michael J. Rains Seattle, Washington	Executive vice president and chief financial officer (CFO) Cambia Health Solutions Inc.	Plan	2023
Jared L. Short Ridgefield, Washington	President and CEO Cambia Health Solutions Inc.	Plan	2009

The Insurance Code requires at least one-third of the board of directors be representatives of the public who are not practicing doctors, employees, or trustees of a participant hospital. As all the plan's directors were employed by Cambia, the plan was not in compliance with ORS 750.015. Additionally, the plan has not designated a chair of the board, which may be contrary to

the bylaws. The examiners are not making any recommendations because there are no policies in force and the plan is essentially a shell company.

Officers

Principal officers serving at Dec. 31, 2023, were:

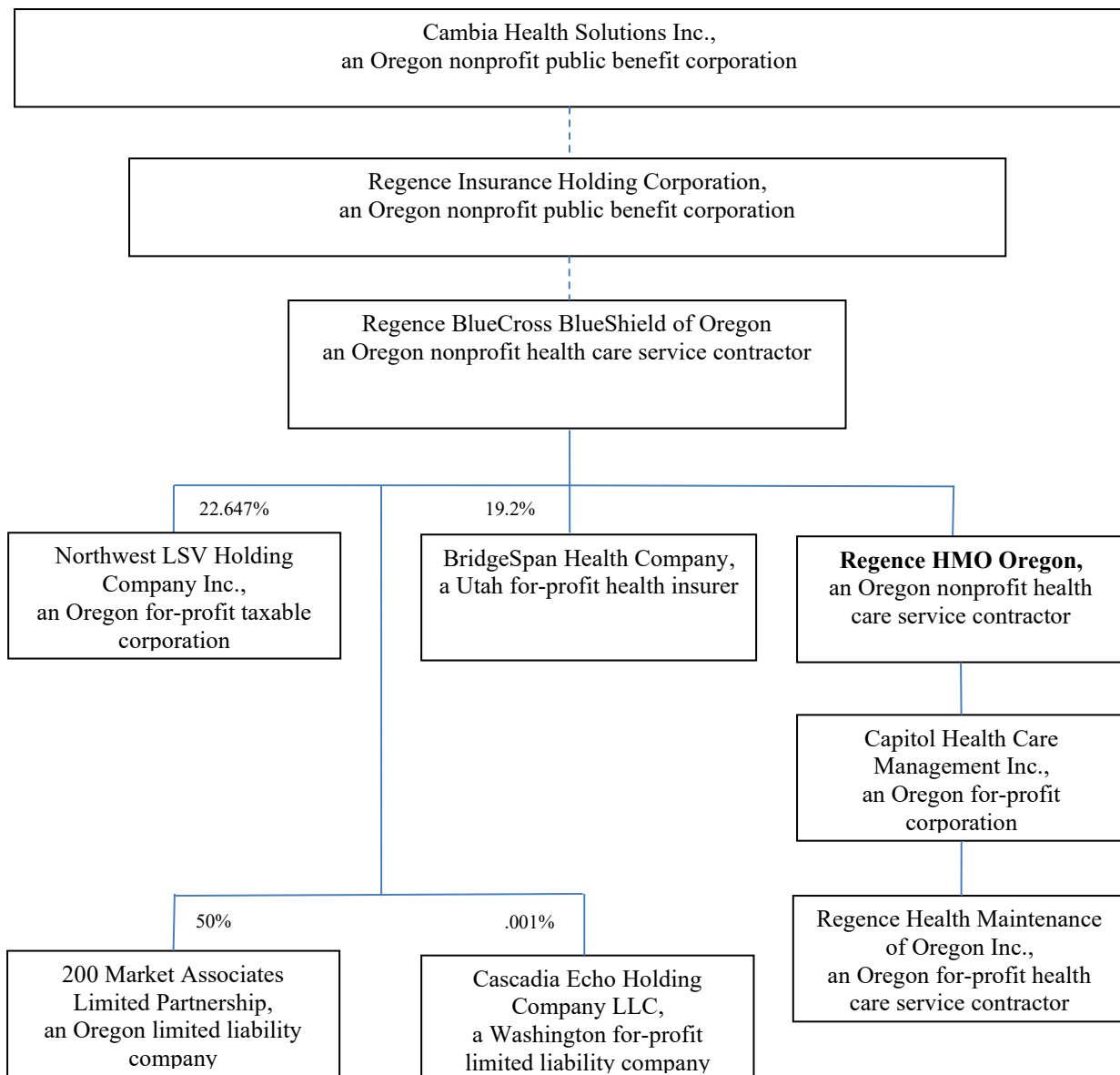
<u>Name</u>	<u>Title</u>
Michael G. Cole	President
Jennifer L. New	Treasurer
John W. Attey	Secretary

Conflict of interest

The plan's board adopted a formal statement of policy concerning conflict of interest for all directors, officers, and responsible employees. Board members, senior officers and key employees are required to annually sign a conflict-of-interest declaration. From a review of the completed conflict-of-interest questionnaires, the plan's personnel performed due diligence in completing the conflict-of-interest statements. No material conflicts of interest were noted.

Insurance company holding system

An insurance holding company registration statement was filed by the plan according to the provisions of ORS 732.552, ORS 732.554, and Oregon Administrative Rule (OAR) 836-027-0020(1). The following condensed organizational chart depicts the relationships of the plan within the holding company system:



Cambia owns or is the sole member of four noninsurance companies, as follows:

- Regence Insurance Holding Corporation is an Oregon nonprofit public benefit corporation established by Cambia on Nov. 21, 2011. It operates as a holding company and is the sole corporate member for Regence BlueShield, Regence BlueCross BlueShield of Oregon, and Regence BlueCross BlueShield of Utah.

- OmedaRx Inc. is an Oregon for-profit taxable corporation that operates as a pharmaceutical benefits management program contracting with pharmacies, processing prescription claims, reviewing medication formularies, and providing educational tools for members and doctors. OmedaRx is a wholly owned subsidiary of Cambia.
- Cambia Health Foundation is an Oregon tax-exempt, private foundation established by Cambia on June 11, 2007, as a 501(c)(3) corporation. It was formed to provide charitable contributions in Idaho, Oregon, Utah, and Washington that benefits three core areas: 1) building healthier communities, 2) transforming health care, and 3) end-of-life issues. Its primary mission is to increase access to medical care for those who cannot afford it, while delivering and coordinating care with innovative methods that improve outcomes and address disparities in care.

Additional direct and indirect subsidiaries of Cambia include:

- Journi Inc. is a for-profit Oregon Corporation health care solutions company offering a mobile-enabled application that allows personnel to get health advice, find in-network providers, make appointments, view health history and deductible information available to organizations that offer health and wellness benefits to employees in the four states where Cambia operates its health plans. It is 100 percent owned by Cambia. Journi Inc. owns one direct subsidiary:
 - JourniRx Inc. is a website that provides information about the effectiveness and cost of prescription medications for patients, caregivers and doctors. It assigns evidence-based letter grades to medications, making them easier to compare. Grades are based on objective criteria developed from best practices in evidence-

based medicine, and assigned by a team of pharmacists who have specialized training in clinical evidence review and evaluation.

- Cascadia Echo Holding Company LLC is a Delaware limited liability, for-profit investment management company formed in 2016 by Cambia Health Solutions with various contributions from the plans. It is funded through Cambia, Regence BlueShield (RBS) and Regence BlueCross BlueShield of Utah (RBCBSU), with ownership interest of 42.455%, 47.284% and 10.261%, respectively. It owns 50 percent of Echo Health Ventures LLC. This holding company is used to invest in noninsurance-related entities that provide various services focusing on the consumer such as information technology services, programs/applications and pharmacy benefit management services, and network management and health and wellness services.
- Capitol Health Care Management Inc. is an Oregon for-profit corporation that serves as a downstream holding company to own all stock of HMO subsidiaries. This company is 100 percent owned by Regence HMO Oregon.
- 200 Market Associates LP is an Oregon limited partnership formed on April 5, 1990, to hold and manage a commercial office building and park in Portland, Oregon. Market Building LLC is the general partner. Regence BlueCross BlueShield of Oregon is a Class B limited partner (50 percent ownership interest) and John W. Russell is a Class C limited partner. The partnership owns and operates the 200 SW Market Street commercial office building.

- CSN Acquisition Corporation is a Washington for-profit insurance agency formed on March 31, 1999, and is a wholly owned subsidiary of Regence BlueShield.
- Healthcare Management Administrators Inc. is a Washington corporation formed on March 20, 1986. It acts as a third-party administrative company for self-funded employers in Washington and Oregon, offering access to providers as a preferred provider organization (PPO) and participating networks. It is 100 percent owned by Regence BlueShield.
- Group Services Inc. is a Utah for-profit corporation formed as an insurance agency on April 17, 1974. This company is 100 percent owned by Regence BlueCross BlueShield of Utah.
- BCSU Professional Services Corporation is a Utah for-profit facility management company formed on Feb. 5, 1986. It is 100 percent owned by Regence BlueCross BlueShield of Utah.
- RBCSU Realty Holding Corporation was a Utah for-profit company acting as a downstream holding company to 100 percent own RBCSU Realty LLC, a limited liability corporation formed to own a commercial office building in Salt Lake City, Utah (Utah Cottonwood building). This company is 100 percent owned by Regence BlueCross BlueShield of Utah. On Sept. 5, 2023, the company was dissolved.
- Pando Health Ventures LLC is a Delaware limited liability company formed on July 8, 2015, with the University of Utah to pursue activities that further the not-for-profit health goals of each joint-venture member. This company is 50 percent owned by Regence BlueCross BlueShield of Utah.

INTERCOMPANY AGREEMENTS

The following agreements are in place between the plan and its affiliates or subsidiaries within the insurance company holding system:

Management agreement

Effective Jan. 1, 1999, between the plan and Regence Health Maintenance of Oregon Inc. The plan agrees to provide management services consistent with and necessary to the effective operation and management of the business of Regence Health Maintenance of Oregon. Regence Health Maintenance of Oregon agrees to pay all direct personnel and administrative costs and all indirect overhead costs incurred according to a cost allocation plan as revised from time to time. The agreement expires each Dec. 31 and is automatically renewed for one-year periods thereafter, unless modified or terminated.

Administrative service agreement

This agreement became effective Dec. 28, 2007, between Cambia and all of its subsidiaries, including the plan. Cambia shall provide all operational, administrative, and management services reasonably necessary to transact business, including managerial, legal, financial, actuarial, underwriting, accounting, human resources, employee benefits administration, data network/telecommunications, marketing, advertising, community affairs, public relations, communications, billing, banking, membership, claims adjudication, customer service, reporting, regulatory compliance, mail, and information technology services. In addition, Cambia shall provide all equipment, materials, office space, and general supplies. The plan shall pay Cambia its proportionate share of the cost, as well as its proportional share of general overhead expenses, according to a systemwide cost allocation methodology and according to generally accepted cost

accounting principles. It is intended that Cambia shall receive complete reimbursement for its costs and derive no profit from such reimbursement. All direct and indirect expenses incurred will be reconciled monthly and balances settled within 90 days from the end of the reporting month.

Consolidated federal income tax agreement

Effective Jan. 1, 1997 (although the agreement was not signed until Sept. 20, 2000), Cambia agrees to file a consolidated federal income tax return, including any liability for alternative minimum tax. The tax liability is then allocated to each member of the affiliated group, computed as if a separate return was filed. Any credits or operating losses shall be allocated to those members with the credits or generating the losses. Payment of estimated installments due for such taxable periods shall be paid within 30 days of receiving notice. Final settlements for a tax year must be paid within 30 days after the filing of the consolidated return.

FIDELITY BOND AND OTHER INSURANCE

The examination of insurance coverages involved a review of the adequacy of limits and retentions, and the solvency of the insurers providing the coverages. The plan's insurance coverages are provided through insurance policies from unaffiliated insurance companies. Coverage protected the plan and all subsidiary and affiliated companies were listed as a named insured. The group as a whole is insured up to \$10 million per occurrence, after a \$200,000 deductible, against losses from acts of dishonesty and fraud by its employees and agents. Fidelity coverage was found to meet the coverage level recommended by NAIC.

Other insurance coverages in force as of Dec. 31, 2023, were found to be adequate, and are as follows:

Cyber liability
Employment practices liability
Director's and officer's liability
Umbrella liability
International liability
Workers' compensation

Fiduciary liability
General liability, auto, employee benefits
Managed care errors and omissions
Property liability
Excess liability

TERRITORY AND PLAN OF OPERATION

Company discontinued renewal of group and individual services and contracts as of Dec. 31, 2004, and has reported no enrolled members as of that time.

GROWTH OF THE COMPANY

Growth of the plan over the past five years is reflected in the following schedule. Amounts were derived from plan's filed annual statements, except in those years where a report of examination was published by the Division of Financial Regulation (DFR).

<u>Year</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Capital and surplus</u>	<u>Net income (loss)</u>
2019	\$ 3,234,597	\$ 16,221	\$ 3,218,376	\$ 43,917
2020 *	3,270,253	23,876	3,257,377	39,001
2021	3,290,616	8,700	3,281,916	24,540
2022	3,293,821	3,516	3,290,305	8,388
2023 *	3,317,383	7,236	3,310,147	19,842

*Per examination

LOSS EXPERIENCE

The following exhibit reflects the annual underwriting results of the plan over the past five years. The amounts were obtained from copies of the plan's filed annual statements and, where indicated, from the previous examination reports.

	(1)	(2)	(2)/(1)	(3)	(2)+(3)/(1)
<u>Year</u>	<u>Total revenues</u>	<u>Total hospital and medical</u>	<u>Medical loss ratio</u>	<u>Claim Adjustment and general expenses</u>	<u>Combined loss ratio</u>
2019	-	-	n/a	\$ 4,127	0.0%
2020 *	-	-	n/a	(322)	0.0%
2021	-	-	n/a	(290)	0.0%
2022	-	-	n/a	(368)	0.0%
2023 *	-	-	n/a	1,005	0.0%

* Per examination

The plan only reported administrative expenses in each of the past five years.

REINSURANCE

The plan ceased writing business in 2005.

ACCOUNTS AND RECORDS

In general, the plan's records and source documentation supported the amounts presented in the plan's Dec. 31, 2023, annual statement and were maintained in a manner by which the financial condition was readily verifiable under the provisions of ORS 733.170.

STATUTORY DEPOSIT

As of the examination date, the plan maintained a \$260,000 (par value) U.S. Treasury bond on deposit at DFR, which meets the requirements of ORS 750.045(2). The deposit was verified from the records of DFR. The deposit was properly listed in the 2023 annual statement on Schedule E – Part3.

COMPLIANCE WITH PRIOR EXAMINATION RECOMMENDATIONS

There were no adjustments made to the surplus and no recommendations were made in the 2020 report of examination. A follow-up review was not made for this plan.

SUBSEQUENT EVENTS

There were no events subsequent to the examination date that would have a material effect on the financial statements of the plan.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the plan with DFR and present the financial condition of the plan for the period ending Dec. 31, 2023. The accompanying comments on financial statements reflect any examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements. These statements include:

- Statement of assets
- Statement of liabilities, capital, and surplus
- Statement of revenue and expenses
- Reconciliation of capital and surplus since the last examination

REGENCE HMO OREGON
ASSETS
As of Dec. 31, 2023

Assets	Net admitted assets	Notes
Bonds	\$ 3,005,393	1
Cash, cash equivalents, and short-term investments	305,811	1
Aggregate write-ins for invested assets	<u>-</u>	
Subtotals, cash and invested assets	<u>3,311,204</u>	
Investment income due and accrued	3,602	
Receivables from parent; subsidiaries and affiliates	2,577	
Aggregate write-ins for other-than- invested assets	<u>-</u>	
Total assets	<u>\$ 3,317,383</u>	

REGENCE HMO OREGON
LIABILITIES, CAPITAL AND SURPLUS
As of Dec. 31, 2023

	Current year total	Notes
Claims unpaid	\$ -	2
Unpaid claims adjustment expenses	-	2
Aggregate health policy reserves	-	
General expenses due or accrued	1,962	
Current federal income tax payable	5,274	
Net deferred tax liability	-	
Amounts due to parent, subsidiaries and affiliates	-	
Aggregate write-ins for other liabilities	-	
Total Liabilities	<u>\$ 7,236</u>	
Aggregate write-ins for special surplus funds	-	
Common capital stock	-	
Gross paid in and contributed surplus	1,620,928	
Unassigned funds (surplus)	<u>1,689,219</u>	
Surplus as regards policyholders	<u>3,310,147</u>	
Total liabilities, surplus, and other funds	<u>\$ 3,317,383</u>	

REGENCE HMO OREGON
STATEMENT OF REVENUE AND EXPENSES
For the year ended Dec. 31, 2023

	Current year total	Notes
Revenue		
Net premium income	\$ -	
Change in unearned premium reserves and reserve for rate credits	-	
Aggregate write-ins for other health care related revenues	-	
Total revenues	-	
Hospital and Medical:		
Hospital/medical benefits	-	
Other professional services	-	
Outside referrals	-	
Emergency room and out-of-area	-	
Prescription drugs	-	
Aggregate write-ins for other hospital and medical	-	
Incentive pool, withhold adjustments and bonus amounts	-	
Subtotal	-	
Less:		
Net reinsurance recoveries	-	
Total hospital and medical	-	
Non-health claims	-	
Claims adjustment expenses	-	
General administrative expenses	1,005	
Increase in reserves for life and accident and health contracts	-	
Total underwriting deductions	1,005	
Net underwriting gain or (loss)	(1,005)	
Net investment income earned	26,121	
Net realized capital gains or (losses)	-	
Net investment gains or (losses)	26,121	
Net gain or (loss) from agents' or premium balances charged off	-	
Aggregate write-ins for other income or expenses	-	
Federal income taxes incurred	5,274	
Net income	\$ 19,842	

REGENCE HMO OREGON
RECONCILIATION OF SURPLUS SINCE THE LAST EXAMINATION
For the year ended Dec. 31,

	2023	2022	2021	2020
Surplus as regards policyholders, Dec. 31, previous year	\$ 3,290,305	\$ 3,281,916	\$ 3,257,377	\$ 3,218,376
Net income or (loss)	19,842	8,388	24,540	39,001
Change in net unrealized capital gains or (losses)	108,055	35,676	38,537	68,115
Change in net deferred income tax	-	-	-	-
Change in nonadmitted assets	(108,055)	(35,676)	(38,537)	(68,115)
Change in unauthorized and certified reinsurance	-	-	-	-
Change in surplus notes	-	-	-	-
Cumulative effect of changes in accounting principles	-	-	-	-
Capital changes:				
Paid in	-	-	-	-
Transferred from surplus (stock dividend)	-	-	-	-
Transferred to surplus	-	-	-	-
Surplus adjustments				
Paid in:	-	-	-	-
Transferred to capital (stock dividend)	-	-	-	-
Transferred from capital	-	-	-	-
Distribution to parent (cash)	-	-	-	-
Aggregate write-ins for gains or (losses) in surplus	-	-	-	-
Change in surplus as regards policyholders for the year	<u>19,842</u>	<u>8,388</u>	<u>24,540</u>	<u>39,001</u>
Surplus as regards policyholders, Dec. 31, current year	<u>\$ 3,310,147</u>	<u>\$ 3,290,305</u>	<u>\$ 3,281,916</u>	<u>\$ 3,257,377</u>

NOTES TO FINANCIAL STATEMENTS

Note 1 – Invested assets

At year-end 2023, the plan's long-term bond investments were invested in U.S. obligations.

Cash equivalents consisted of one exempt money market mutual fund. The plan did not have any short-term investments.

A comparison of the major investments over the past five years shows the following:

<u>Year</u>	<u>A</u> <u>Bonds</u>	<u>B</u> <u>Cash and</u> <u>short-term</u>	<u>Ratio</u> <u>A/</u> <u>total assets</u>	<u>Ratio</u> <u>B/</u> <u>total assets</u>
2019	3,035,107	176,144	93.8%	5.4%
2020	3,019,317	227,799	92.3%	6.9%
2021	3,006,243	282,482	91.36%	8.58%
2022	3,006,497	283,243	91.28%	8.60%
2023	3,005,393	305,811	90.60%	9.22%

The Cambia Investment Committee approved the investment transactions in each of the years under review, and the actions of the committee were approved by the board of directors, under ORS 733.740. As of Dec. 31, 2023, sufficient assets were invested in amply secured obligations of the United States, the State of Oregon, or in Federal Deposit Insurance Company (FDIC) insured cash deposits, and the plan was in compliance with ORS 733.580.

Effective Dec. 17, 2009, and last amended and restated on March 19, 2019, the plan entered into a custodial agreement with BNY Mellon. The agreement contained all the relevant protections described in OAR 836-027-0200(4)(a) through (n).

Note 2 – Actuarial reserves

Company discontinued renewal of group and individual services and contracts as of 12/31/2004, and has reported no enrolled members nor recorded actuarial liabilities as of that time. As a result, an actuarial review was not deemed warranted

ANALYSIS OF CHANGES IN FINANCIAL STATEMENTS

There were no adjustments to capital and surplus resulting from this examination.

SUMMARY OF COMMENTS AND RECOMMENDATIONS

There were no recommendations made as a result of this examination.

CONCLUSION

During the three-year period covered by this examination, the surplus of the plan has increased from \$3,257,377, as presented in the Dec. 31, 2020, report of examination to \$3,310,147, as shown in this report. The comparative assets and liabilities are:

	<u>2023</u>	Dec. 31, <u>2020</u>	<u>Change</u>
Assets	\$ 3,317,383	\$ 3,270,253	\$ 47,130
Liabilities	<u>7,236</u>	<u>12,876</u>	<u>(5,640)</u>
Surplus	<u>\$ 3,310,147</u>	<u>\$ 3,257,377</u>	<u>\$ 52,770</u>

ACKNOWLEDGMENT

The cooperation and assistance extended by the officers and employees of the plan during the examination process are gratefully acknowledged.

In addition to the undersigned, David Lorenz, AIE, APIR, insurance examiner for the State of Oregon, Department of Consumer and Business Services, Division of Financial Regulation, participated in this examination. Additionally, Eric Free, CFE, ALMI, director from Risk and Regulatory Consulting LLC participated in this examination. We would also like to thank the following for their participation in this coordinated examination:

Idaho Department of Insurance

James Anderson, AFE, deputy chief examiner

Utah Department of Insurance

Cambria Shore, MSA, CFE, APIR, examiner-in-charge

Jamie Larson, financial examiner

Washington Office of the Insurance Commissioner

Randy Fong, CFE, team supervisor

Bert Karau, CPA, CFE, FLMI, examiner-in-charge

Constantine Arustamian, CFE, CPA, CIE, CISA, IT examiner

Che Pasia, financial examiner

Branden Philpot, CPA, financial examiner

Jonathan Yee, CPA, CFE, financial examiner

Katy Bardsley, CPA, CFE, APIR, financial examiner

James Koo, financial examiner

Amina Mohammud, financial examiner

INS Companies

Toni Bean, CFE (Idaho EIC)

Exam 360

Mike Presley, FSA, MAAA, lead consulting actuary – Utah contract actuary

Respectfully submitted,

/s/ Tho Le

Tho Le, CFE, PIR

Senior insurance examiner

Division of Financial Regulation

Department of Consumer and Business Services

State of Oregon

AFFIDAVIT

STATE OF OREGON

County of Marion

Tho Le, CFE, PIR, being duly sworn, states as follows:

1. I have authority to represent the State of Oregon in the examination of Regence HMO Oregon, Portland, Oregon.
2. The Division of Financial Regulation of the Department of Consumer and Business Services of the State of Oregon is accredited under the National Association of Insurance Commissioners Financial Regulation Standards and Accreditation.
3. I have reviewed the examination work papers and examination report. The examination of Regence HMO Oregon was performed in a manner consistent with the standards and procedures required by the Oregon Insurance Code.

The affiant says nothing further.

/s/ Tho Le

Tho Le, CFE, PIR
Senior insurance examiner
Division of Financial Regulation
Department of Consumer and Business Services
State of Oregon

Subscribed and sworn to before me this 7th day of July, 2025.

/s/ Cindy Engle

Notary public in and for the State of Oregon

My commission expires: 7/9/2027