



**EXAMINATION REPORT
OF
Longevity Health Plan of Florida, Inc.**

NAIC Company Code: 16567

**Palm Beach Gardens, Florida
as of
December 31, 2022**

**BY THE
FLORIDA
OFFICE OF INSURANCE REGULATION**

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March 20, 2024

Michael Yaworsky
Commissioner
Office of Insurance Regulation
State of Florida
Tallahassee, Florida 32399-0326

Dear Commissioner:

Pursuant to your instructions, in compliance with Section 641.27, Florida Statutes, and in accordance with the practices and procedures promulgated by the National Association of Insurance Commissioners (“NAIC”), we have conducted an examination as of December 31, 2022, of the financial condition and corporate affairs of

Longevity Health Plan of Florida, Inc.
11780 US Highway One, Suite N107
Palm Beach Gardens, Florida 33408

hereinafter referred to as “the Company.” Such report of examination is herewith respectfully submitted.

SCOPE OF EXAMINATION

This examination covered the period of January 1, 2022, through December 31, 2022, and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“OIR”) on February 17, 2023, to February 21, 2023. The fieldwork concluded as of March 20, 2024. The Company’s last full scope exam by representatives of OIR covered the period of January 1, 2021, through December 31, 2021.

The examination was a multi-state/coordinated holding company group examination conducted in accordance with the NAIC Financial Condition Examiners Handbook (“the Handbook”). The Handbook requires that the examination be planned and performed to evaluate the financial condition, assess corporate governance, identify current and prospective risks of the Company, 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 both currently and prospectively. The lead state for this exam was New York, and states that participated in this exam are as follows: Illinois, Michigan, New Jersey, and North Carolina.

All accounts and activities of the Company were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management’s compliance with the NAIC Statements of Statutory Accounting Principles (“SSAP”). The examination does not attest to the fair presentation of the financial statements included herein. If during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately following the Company’s financial statements.

This examination report includes information obtained from the examination of the records, accounts, files, and documents of or relative to the Company and other information as permitted by Sections 624.319 and 641.27(1), Florida Statutes. There may be other items identified during the examination that, due to their nature (for example, subjective conclusions or proprietary information), are not included within the examination report but separately communicated to other regulators and/or the Company.

SUMMARY OF SIGNIFICANT FINDINGS

Current Examination Findings

There were no significant findings of fact as a result of this examination.

Previous Examination Findings

There were no significant findings of fact for the prior examination as of December 31, 2021.

COMPANY HISTORY

General

The Company was incorporated in Florida on October 30, 2018, and commenced business on January 1, 2020. It was licensed by OIR as a Health Maintenance Organization (“HMO”) on April 19, 2019, in accordance with Part 1 of Chapter 641, Florida Statutes.

Dividends

The Company did not declare or pay any dividends during the period under examination.

Capital Stock and Capital Contributions

As of December 31, 2022, the Company’s capitalization was as follows:

Number of authorized common capital shares	10,000
Number of authorized preferred stock	0
Number of shares issued and outstanding	10,000
Total common capital stock	\$10,000
Par value per share	\$1.00

The Company received capital contributions of \$4,500,000 from Longevity Health Holdings of Florida, Inc. during 2022.

Surplus Notes

The Company did not have or issue any surplus notes during the period under examination.

Acquisitions, Mergers, Disposals, Dissolutions

The Company had no acquisitions, mergers, disposals, or dissolutions during the period under examination.

MANAGEMENT AND CONTROL

Corporate Governance

The annual shareholder meeting for the election of Directors was held in accordance with the Company's Bylaws. Directors serving as of December 31, 2022, are shown below:

Directors		
Name	City, State	Principal Occupation, Company Name
Rene Lerer, Chair	Palm Beach Gardens, Florida	Chief Executive Officer, Longevity Health Founders, LLC
Brendan T. Rager	Ponte Verde Beach, Florida	Chief Legal Officer and Administrative Officer, Longevity Health Founders, LLC
Leslie S. Granow	Riviera Beach, Florida	Chief Financial Officer, Longevity Health Founders, LLC

In accordance with the Company's Bylaws, the Board appointed the following Senior Officers:

Senior Officers		
Name	City, State	Title
Rene Lerer	Palm Beach Gardens, Florida	Chief Executive Officer & President
Brendan T. Rager	Ponte Verde Beach, Florida	Secretary
Leslie S. Granow	Riviera Beach, Florida	Chief Financial Officer & Treasurer

The parent company, Longevity Health Founders, LLC ("LHF"), Board appointed several internal committees on behalf of the group.

The following were the principal internal board committees and their members as of December 31, 2022.

Compliance Committee		
Name	City, State	Title, Company Name
Jennifer L. Lacey, Chair	Indian Rocks Beach, Florida	Chief Compliance Officer, Longevity Health Founders, LLC
Heidi M. Wold	Fountain Hills, Arizona	Chief Clinical Officer, Longevity Health Founders, LLC
Leslie S. Granow	Riviera Beach, Florida	Chief Financial Officer, Longevity Health Founders, LLC
David F. Asher	Pompano Beach, Florida	Senior Vice President of Markets, Longevity Health Founders, LLC
Sriram V. Bharadwaj	Jupiter, Florida	Chief Information and Operations Officer, Longevity Health Founders, LLC
James C. Fallon	Stuart, Florida	Vice President of Implementation and Sales, Longevity Health Founders, LLC
David M. Webster	Palm Beach Gardens, Florida	Senior Vice President National Payor/Provider Strategy, Longevity Health Founders, LLC

Operations Steering Committee		
Name	City, State	Title, Company Name
Sriram V. Bharadwaj, Chair	Jupiter, Florida	Chief Information and Operations Officer, Longevity Health Founders, LLC
Jennifer L. Lacey	Indian Rocks Beach, Florida	Chief Compliance Officer, Longevity Health Founders, LLC
Heidi M. Wold	Fountain Hills, Arizona	Chief Clinical Officer, Longevity Health Founders, LLC
Leslie S. Granow	Riviera Beach, Florida	Chief Financial Officer, Longevity Health Founders, LLC
Xueying Zhai	Boonton, New Jersey	Corporate Controller, Longevity Health Founders, LLC
Neil P. Boyle	Jacksonville, Florida	Director of Financial, RAF Planning & Analysis, Performance Reporting, Longevity Health Founders, LLC
Benjamin A. Lerer	Palm Beach Gardens, Florida	Chief Markets Officer, Longevity Health Founders, LLC

IT Steering Committee		
Name	City, State	Title, Company Name
Rene Lerer, Chair	Palm Beach Gardens, Florida	Chief Executive Officer, Longevity Health Founders, LLC
Leslie S. Granow	Riviera Beach, Florida	Chief Financial Officer, Longevity Health Founders, LLC
Heidi M. Wold	Fountain Hills, Arizona	Chief Clinical Officer, Longevity Health Founders, LLC
Brendan T. Rager	Ponte Verde Beach, Florida	Chief Legal Officer and Administrative Officer, Longevity Health Founders, LLC
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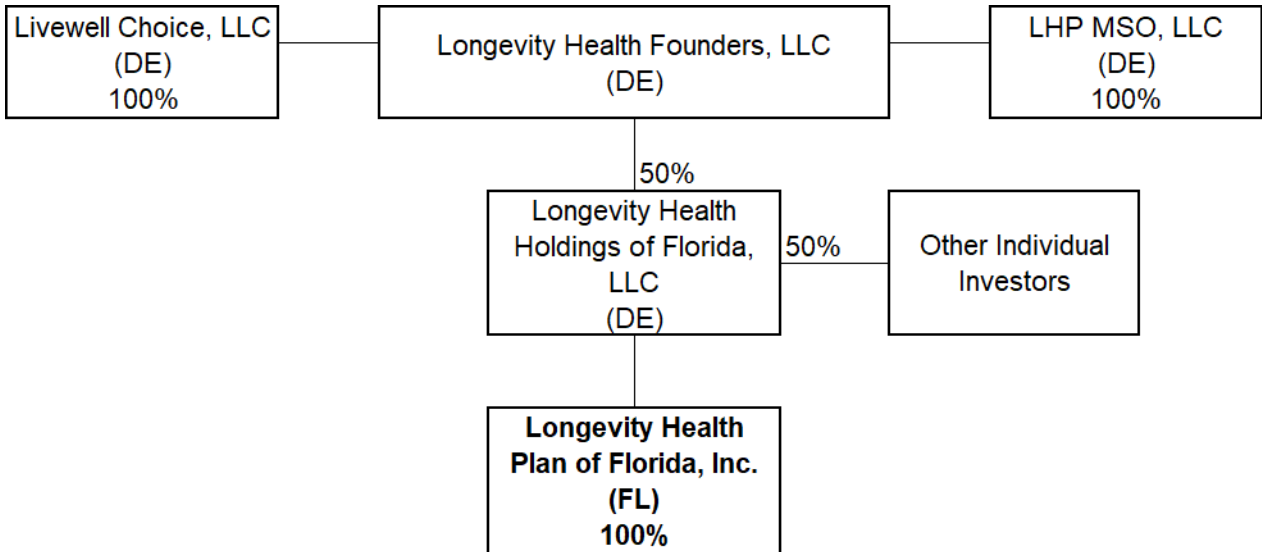
Quality Improvement Committee

There was also a Quality Improvement Committee which consisted of twenty-seven (27) members, representing Clinical, Compliance, Medical Directors, Operations, and Information Technology. Rene Lerer, the Company's Chief Executive Officer and President, was also one of these members.

Holding Company System

A simplified organizational chart as of December 31, 2022, reflecting the holding company system, follows. Schedule Y of the Company's 2022 Annual Statement provided a list of all related companies of the holding company group.

Longevity Health Plan of Florida, Inc.
Simplified Organizational Chart
December 31, 2022



AFFILIATED AGREEMENTS

The following agreements were in effect between the Company and its affiliates:

Management Services Agreement

The Company entered into a Management Services Agreement with LHP MSO, LLC on January 1, 2020, to provide certain management services. The agreement continues in force for a term of thirty (30) years and will automatically renew for successive one (1) year periods, unless otherwise terminated within the guidelines of the agreement. Fees incurred under this agreement during 2022, amounted to \$2,682,927.

The Management Services Agreement between LHP MSO, LLC, and the Company was inclusive of the services from LiveWell Choice, LLC, an affiliate offering clinical staff to administer the Company's model of care. The structure entails a direct contractual arrangement between the Company to LHP MSO, LLC, and an associated indirect relationship between the health plan and

LiveWell Choice, LLC via LHP MSO, LLC. Expenses incurred for medical services during 2022, amounted to \$7,746,128.

Parental Guarantee Affidavit

On March 14, 2019, a Parental Guarantee Affidavit was executed by the Company's ultimate parent, LHF. Per the terms of the guarantee, LHF will provide capital to the Company in order for the Company to maintain compliance with the minimum surplus requirements of Section 641.225, Florida Statutes.

ACCOUNTS AND RECORDS

The Company maintained its principal operational offices in Palm Beach Gardens, Florida.

The Company and non-affiliates had the following material agreements:

Custodial Agreement

The Company maintained a custodial agreement with U.S. Bank National Association executed on October 14, 2021. The agreement complied with Rule 69O-191.090, Florida Administrative Code.

Pharmacy Benefit Management Agreement

The Company entered into a Pharmacy Benefit Management Agreement with Express Scripts, Inc. ("ESI") on January 1, 2022. Under the terms of the agreement, ESI provided certain pharmacy benefit management services to the Company, including, among other services, pharmacy network contracting; pharmacy claims processing; mail and specialty drug pharmacy; cost containment, clinical, safety, adherence, and other like programs; and formulary determination.

Independent Auditor Agreement

An independent CPA, LBMC, PC, audited the Company's statutory basis financial statements for the year 2022, in accordance with Section 641.26(5), Florida Statutes. Supporting work papers were prepared by the CPA firm as required by Section 641.26(5), Florida Statutes.

Corporate Records Review

The recorded minutes of the Shareholders and Board were reviewed for the period under examination. The recorded minutes of the Board documented its meetings and approval of Company transactions and events, in compliance with the Handbook adopted by Rule 69O-138.001, Florida Administrative Code.

TERRITORY AND PLAN OF OPERATIONS

The Company was authorized to provide managed care services only in the State of Florida. As of December 31, 2022, the Company offers HMO Medicare Advantage products in the following counties: Alachua, Brevard, Broward, Citrus, Clay, Duval, Hernando, Hillsborough, Indian River, Lake, Lee, Manatee, Marion, Miami-Dade, Orange, Osceola, Palm Beach, Pasco, Pinellas, Polk, Sarasota, Seminole, Sumter, and Volusia.

REINSURANCE

The reinsurance agreement reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration clause, intermediary clause, transfer of risk, reporting and settlement information deadlines.

Reinsurance Assumed

The Company did not assume any reinsurance during the period of this examination.

Reinsurance Ceded

The Company ceded risk through an excess of loss reinsurance agreement with Odyssey Reinsurance Company, whereby the Company was reimbursed for 90% of eligible expenses in excess of \$250,000 per member, per agreement year.

FINANCIAL STATEMENTS

The following includes the Company's statutory Statement of Assets, Liabilities, Capital and Surplus, and statutory Statement of Revenue and Expenses, which includes an analysis of changes in the Capital and Surplus Account for the year ended December 31, 2022. The financial statements are based on the statutory financial statements filed by the Company with the OIR, and present the financial condition of the Company for the period ending December 31, 2022. Due to rounding, column amounts may not add to the totals reflected in this Report. There were no examination adjustments to the amounts reported by the Company.

Longevity Health Plan of Florida, Inc.

Assets

December 31, 2022

	Per Company
Bonds	\$3,246,370
Cash, cash equivalents and short-term investments	3,318,305
Subtotal cash and invested assets	6,564,675
Investment income due and accrued	7,783
Premiums and considerations	
Uncollected premiums and agents' balances	310
Accrued retrospective premiums	1,497,585
Amounts receivable relating to uninsured plans	2,032,974
Health care and other amounts receivable	244,015
Total	\$10,347,342

Longevity Health Plan of Florida, Inc.
Liabilities, Capital and Surplus
December 31, 2022

	Per Company
Claims unpaid	\$4,451,832
Accrued medical incentive pool and bonus amounts	174,547
Unpaid claims adjustment expenses	37,672
Premiums received in advance	200,497
General expenses due or accrued	5,755
Amounts withheld or retained for the account of others	662,536
Liability for amounts held under uninsured plans	543,492
Total liabilities	6,076,331
Common capital stock	10,000
Gross paid-in and contributed surplus	12,245,393
Unassigned funds (surplus)	(7,984,382)
Total capital and surplus	4,271,011
Total liabilities, capital and surplus	\$10,347,342

Longevity Health Plan of Florida, Inc.
Statement of Revenue and Expenses
December 31, 2022

	Per Company
Net premium income	\$23,532,948
Total revenues	23,532,948
Hospital and Medical:	
Hospital/medical benefits	17,634,144
Other professional services	3,358,836
Emergency room and out-of-area	163,888
Prescription drugs	1,382,414
Aggregate write-ins for other hospital and medical	113,192
Incentive pool, withhold adjustments and bonus amounts	131,429
Total hospital and medical	22,783,903
Claims adjustment expenses	1,244,636
General administrative expenses	2,143,838
Total underwriting deductions	26,172,377
Net underwriting gain or (loss)	(2,639,429)
Net investment income earned	49,187
Net realized capital gains (losses) less capital gains tax	(11,108)
Net investment gains (losses)	38,079
Net income or (loss) after capital gains tax and before all other federal income taxes	(2,601,350)
Less: Federal and foreign income taxes incurred	0
Net income (loss)	\$(2,601,350)

Statement of Revenue and Expenses (continued)

	Per Company
Capital and Surplus Account	
Capital and surplus, prior reporting year	\$2,254,650
Net income (loss)	(2,601,350)
Change in nonadmitted assets	117,711
Surplus adjustments:	
Paid in	4,500,000
Net change in capital and surplus	2,016,361
Capital and surplus, end of reporting year	\$4,271,011

**Longevity Health Plan of Florida, Inc.
Reconciliation of Capital and Surplus
December 31, 2022**

No adjustments were made to surplus as regards policyholders as a result of this examination.

Capital/Surplus Change during Examination Period			
Capital and surplus at December 31, 2021, per Examination			\$2,254,650
	Increase	Decrease	
Net income (loss)		2,601,350	(2,601,350)
Change in nonadmitted assets	117,711		117,711
Change in paid in surplus	4,500,000		4,500,000
Net increase (or decrease)			2,016,361
Capital and surplus at December 31, 2022, per Examination			\$4,271,011

COMMENTS ON FINANCIAL STATEMENT ITEMS

Liabilities

Losses and Loss Adjustment Expenses

Kelly Backes, FSA, MAAA, Principal, Milliman, Inc., appointed by the Board, rendered an opinion that the amounts carried in the balance sheet as of December 31, 2022, made a reasonable provision for all unpaid loss and loss expense obligations of the Company under the terms of its policies and agreements.

The OIR consulting actuary, Michael Berman, FSA, MAAA, Senior Director – Actuarial Solutions, of Davies Group., reviewed the loss and loss adjustment expense work papers provided by the Company and he was in concurrence with this opinion.

Capital and Surplus

The amount of capital and surplus reported by the Company of \$4,271,011 exceeded the minimum of \$1,500,000 required by Section 641.225, Florida Statutes.

SUBSEQUENT EVENTS

Subsequent to the examination period, LHF issued Series B preferred units resulting in a change in control event. LHF's subsequent ownership consisted of the following: Pinta Partners LHP, LLC (20.41%), ISNP Holdings, Inc. (28.63%), TCII Long L.P. (20.97%), Halle LHP Holdings, LLC (24.60%), GCM Health Holdings, Inc. (3.35%), and various small independent investors (2.04%). As a result of the subsequent LHF change in control, the LHF Board structure also changed.

In February 2023, the Company was approved to expand its authorized service area to 5 additional counties, including Charlotte, Leon, Martin, St. John's, and St. Lucie.

During the examination period, the Company's Board functioned as its Audit Committee. A formal Audit Committee was subsequently established in June 2023.

CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of Longevity Health Plan of Florida, Inc. as of December 31, 2022, consistent with the insurance laws of the State of Florida.

The following individuals with the firm of Carr, Riggs and Ingram, LLC participated in the examination: Joseph May, CFE, CPA, CISA, Examiner-in-Charge; Dale Miller, CFE, CPA, Participating Examiner; and Sharon Stuber, CPA, Participating Examiner. Members of the OIR who participated in the examination include Shantia Simmons, APIR, Examination Manager; and Jamaal Maddox, APIR, Participating Examiner. Additionally, Michael Berman, FSA, MAAA of Davies Group, is recognized for participation in the examination.

Respectfully submitted,



Joseph May, CFE, CPA, CISA
Examiner-in-Charge
Carr, Riggs and Ingram, LLC



Carolyn M. Morgan, APIR
Director
Life & Health Financial Oversight
Florida Office of Insurance Regulation
Date: 7/23/24