



**EXAMINATION REPORT
OF
Align Senior Care Florida, Inc.**

NAIC Company Code: 16778

**Tampa, Florida
as of
December 31, 2023**

**BY THE
FLORIDA
OFFICE OF INSURANCE REGULATION**

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August 14, 2025

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, 2023, of the financial condition and corporate affairs of

Align Senior Care Florida, Inc.
8270 Woodland Center Blvd.
Tampa, FL 33614

hereinafter referred to as "the Company" or "ASCFL". Such report of examination is herewith respectfully submitted.

SCOPE OF EXAMINATION

This examination covered the period of January 1, 2023, through December 31, 2023, and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“OIR”) on February 14, 2025. The fieldwork concluded as of August 14, 2025. The Company’s last full scope exam covered the period from January 1, 2022, to December 31, 2022.

The examination was of a single-state Health Maintenance Organization (“HMO”), 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.

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 section 624.319, of the 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 as a result of the prior examination.

COMPANY HISTORY

General

ASCFL was incorporated in Florida on September 5, 2019, and was licensed by the OIR as an HMO on April 20, 2020, in accordance with Part 1 of Chapter 641, Florida Statutes. The Company formally commenced business on January 1, 2021.

The Company has contracted with the Centers for Medicare and Medicaid Services (“CMS”) to provide medical coverage to members who qualify for participation in an Institutional Special Needs Program (“I-SNP”) and Chronic Condition Special Needs Plan (“C-SNP”) in seven Florida counties. These plans are intended to serve Medicare beneficiaries residing in assisted living facilities or skilled nursing facilities. The contract between the Company and CMS was effective May 1, 2021, at which time the first members were enrolled into the HMO.

The Company’s immediate parent, AllyAlignHealth, Inc. (“AAH”), is a direct subsidiary of Innovative Long Term Care Management (“ILTCM”). ILTCM was acquired in June 2021 by New Enterprise Associations (“NEA”), and NEA became the ultimate controlling person (“UCP”) of the Company.

Dividends

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

Capital Stock and Capital Contributions

The Company was initially capitalized through a surplus contribution in 2020 of \$2,508,487 by its immediate parent, ILTCM. The Company received a capital contribution of \$800,000 in 2023.

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, 2023, are:

Directors		
Name	City, State	Principal Occupation Company Name
Mark Francis Price	Houston, Texas	Chief Executive Officer, Curana Health
Jeremy Stephen Dressen	Eden Prairie, Minnesota	Chief Executive Officer, AAH
John Emami	Herndon, Virginia	Chief Operating Officer, AAH
Cora Louise Case (1)	Reno, Nevada	Chief Financial Officer, Curana Health

(1) Cora Louis Case was replaced by Rachel Martin on January 12, 2024.

In accordance with the Company’s Bylaws, the Board of Directors (“Board”) appointed the following Officers at December 31, 2023:

Senior Officers		
Name	City, State	Principal Occupation, Company Name
Jeremy Stephen Dressen	Eden Prairie, Minnesota	Chief Executive Officer, AAH
Rachel Martin	Sparks, Nevada	Chief Financial Officer, AAH
John Emami	Herndon, Virginia	Chief Operating Officer, AAH
Laura Manchester	Richmond, Virginia	Secretary

The Company’s Board appointed several internal committees. The following was the principal internal Board committee and its members as of December 31, 2023.

Audit and Risk Committee		
Name	City, State	Principal Occupation, Company Name
Jeremy Stephen Dressen	Eden Prairie, Minnesota	Chief Executive Officer, AAH
John Emami	Herndon, Virginia	Chief Operating Officer, AAH
Cora Louise Case (1)	Reno, Nevada	Chief Financial Officer, Curana Health

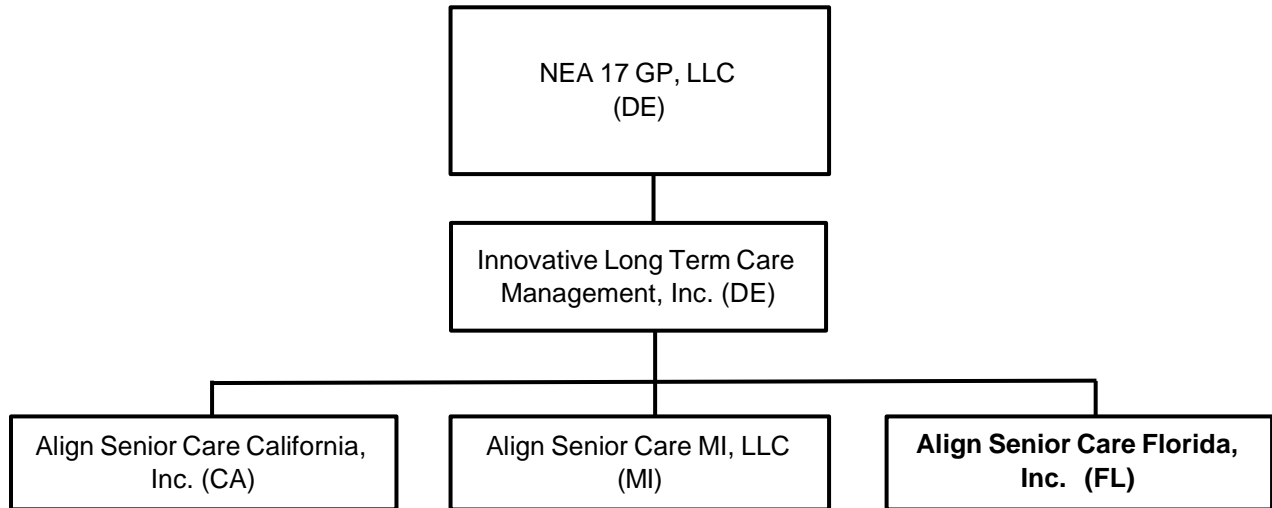
(1) Cora Louis Case was replaced by Rachel Martin on January 12, 2024.

Holding Company System

A simplified organizational chart as of December 31, 2023, reflecting the holding company system, follows. Schedule Y of the Company’s 2023 annual statement provided a list of all related companies of the holding company group.

**Align Senior Care Florida, Inc.
Simplified Organizational Chart**

December 31, 2023



AFFILIATED AGREEMENTS

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

Management Services Agreement

Effective February 10, 2020, the Company entered into a management services agreement with AAH under which AAH administers the Company’s HMO, I-SNP, and C-SNP by providing all day-to-day management services, including plan management, utilization management, finance and accounting, business analysis, compliance support and reporting, pharmacy, network development and contracting, and human resources. Fees incurred under the terms of this agreement by the Company for 2023 were \$566,851.

Medical Director Agreement

The Company is a party to an amended Medical Director Agreement executed with AAH, effective January 1, 2023. Under the terms of this agreement AAH provides the Company with medical director services through a physician licensed to practice medicine in all states where the plan is active. The Plan Medical Director oversees clinical direction of medical services and quality improvement functions at the health plan level and provides medical management leadership for the health plan and, as applicable, manages all major clinical and quality program components under health plan operations. Compensation under this agreement shall be set at \$18.00 per Covered Member per month. Fees incurred under the terms of this agreement by the Company for 2023 were \$28,440.

Advance Practice Participation Agreement

Effective May 1, 2021, the Company entered into an Advanced Practice Participation Agreement with Sunshine Health Partners, LLC (“Sunshine”) whereby Sunshine is responsible for providing the Company with nurse practitioner healthcare services through one or more nurse practitioners licensed and qualified to render services as a nurse practitioner in Florida. Services under this agreement include diagnosis, management and treatment, quality improvement activities, interpretation of laboratory data, reconciling medications, and evaluating each members’ care plan. Effective July 1, 2023, the agreement was amended to remove the quality incentive program. Fees incurred under the terms of this agreement by the Company for 2023 were \$70,028.

ACCOUNTS AND RECORDS

The Company maintained its principal operational offices in Glen Allen, Virginia.

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

Independent Auditor Agreement

An independent CPA, LBMC PA, audited the Company’s statutory basis financial statements for 2023, 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 documented meetings and approval of Company transactions and events, in compliance with the Handbook adopted by Rule 69O-138.001, Florida Administrative Code, including the authorization of investments, as required by section 641.35(7), Florida Statutes.

TERRITORY AND PLAN OF OPERATIONS

For 2023, benefits were targeted to meet the specific needs of Assisted Living and Skilled Nursing facility residents in Alachua, Hillsborough, Lee, Miami-Dade, Orange, Pinellas, and Sumter counties.

REINSURANCE

The reinsurance agreements 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 has a reinsurance contract with PartnerRe, on an incurred claims basis. The coverage period is from January 2023 until December 2023. The purpose of the agreement is to limit the Company's maximum loss exposure through the diversification of its risk. Under the

terms of the agreement, the maximum payable per covered person is unlimited excess of the Specific Deductible per covered person of \$225,000. There is no Maximum Aggregate Limit of the Company's liability. As of December 31, 2023, \$9,926 is recoverable on paid losses from the reinsurance company. Total reinsurance premium paid under the terms of this reinsurance agreement by the Company for 2023 was \$20,448.

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, 2023. 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, 2023. 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.

Align Senior Care Florida, Inc.
Assets
December 31, 2023

	Per Company
Bonds	354,065
Cash, cash equivalents and short-term investments	3,037,054
Subtotal cash and invested assets	3,391,119
Investment income due and accrued	399
Premiums and considerations	
Uncollected premiums and agents' balances in the course of collection	41
Accrued retrospective premiums and contract subject to redetermination	273,095
Amounts recoverable from reinsurers	9,826
Amounts receivable relating to uninsured plans	64,998
Health care and other amounts receivable	100,043
Total	3,839,521

**Align Senior Care Florida, Inc.
Liabilities, Capital and Surplus
December 31, 2023**

	Per Company
Claims unpaid	1,252,429
Accrued medical incentive pool and bonus amounts	20,541
Unpaid claims adjustment expenses	42,629
Aggregate health policy reserves	328,464
Premiums received in advance	30,793
General expenses due or accrued	23,353
Amounts due to parent, subsidiaries and affiliates	6,498
Liability for amounts held under uninsured plans	385,594
Total liabilities	2,090,301
Gross paid-in and contributed surplus	4,058,487
Unassigned funds (surplus)	(2,309,267)
Total capital and surplus	1,749,220
Total liabilities, capital and surplus	3,839,521

Align Senior Care Florida, Inc.
Statement of Revenue and Expenses
December 31, 2023

	Per Company
Net premium income	4,972,382
Total revenues	4,972,382
Hospital and Medical:	
Hospital/medical benefits	3,259,799
Other professional services	916,724
Emergency room and out-of-area	49,531
Prescription drugs	273,519
Aggregate write-ins for other hospital and medical	172,669
Incentive pool, withhold adjustments and bonus amounts	68,054
Subtotal	4,740,296
Less:	
Net reinsurance recoveries	10,983
Total hospital and medical	4,729,313
Claims adjustment expenses	319,817
General administrative expenses	556,601
Increase in reserves for life and accident and health contracts	300,000
Total underwriting deductions	5,905,731
Net underwriting gain or (loss)	(933,349)
Net investment income earned	84,625
Net investment gains (losses)	84,625
Net income or (loss) after capital gains tax and before all other federal income taxes	(848,724)
Net Income (loss)	(848,724)

Align Senior Care Florida, Inc.
Statement of Revenue and Expenses continued
December 31, 2023

	Per Company
Capital and Surplus Account	
Capital and surplus, prior reporting year	1,815,107
Net Income or (loss)	(848,724)
Change in nonadmitted assets	32,837
Surplus paid in	750,000
Net change in capital and surplus	(65,887)
Capital and surplus, end of reporting year	1,749,220

Align Senior Care Florida, Inc.
Reconciliation of Capital and Surplus
December 31, 2023

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, 2022, per Examination			1,815,107
	Increase	Decrease	
Net loss		(848,724)	
Change in net unrealized capital gain (loss)			
Change in net deferred income tax			
Change in nonadmitted assets	32,837		
Change in paid in surplus	750,000		
Transferred to surplus			
Net increase (or decrease)			(65,887)
Capital and Surplus at December 31, 2023, per Examination			1,749,220

COMMENTS ON FINANCIAL STATEMENT ITEMS

Liabilities

Losses and Loss Adjustment Expenses

Rachel Stewart, ASA, MAAA, Senior Consulting Actuary of Wakely Consulting Group, LLC, as appointed by the Board, rendered an opinion that the amounts carried in the balance sheet as of December 31, 2023, 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, Scott Garduno, FSA, MAAA, of Taylor-Walker, 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 \$1,749,220 exceeded the minimum of \$1,500,000 required by section 641.225, of the Florida Statutes.

CONCLUSION

The insurance examination practices and procedures as promulgated by the NAIC have been followed in ascertaining the financial condition of Align Senior Care Florida, Inc., as of December 31, 2023, consistent with the insurance laws of the State of Florida.

The following individuals with the firm of The NOVO Consulting Group, LLC participated in the examination: Lori Ruggiero, CFE, CIE, MCM, Examiner-in-Charge; Jeff Good, CFE, CIE, MCM, Exam Manager; Ray Conover, AIE, FLMI, ARe, MCM, Participating Examiner; Mason Krangle, CPA, PFS, MBA, ChFC, CGMA , Participating Examiner; and Robert Ficken, CPA, CISA, CFE, AES, CRISC, CISSP, IT Specialist. The member of OIR who participated in the examination is Margaret McCrary, CFE, CPA, MBA, Chief Financial Examiner and Examination Manager. Additionally, Scott Garduno, FSA, MAAA, Lead Actuary of Taylor-Walker Consulting, LLC and Kirk Braunius, ASA, MAAA, Senior Actuary of Taylor-Walker Consulting, LLC, are recognized for participation in the examination.

Respectfully submitted,



Lori Ruggiero, CFE, CIE, MCM
Examiner-in-Charge
The NOVO Consulting Group, LLC



Carolyn M. Morgan, APIR
Director
Life & Health Financial Oversight
Florida Office of Insurance
Regulation Date Signed: 12/16/25