



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

NAIC Company Code: 17258

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

**BY THE
FLORIDA
OFFICE OF INSURANCE REGULATION**

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August 7, 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

Alignment Health Plan of Florida, Inc.

4830 W. Kennedy Blvd, Suite 600

Tampa, FL 33609

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

SCOPE OF EXAMINATION

This examination covered the period of March 1, 2022, through December 31, 2023, and the fieldwork commenced with planning with the Florida Office of Insurance Regulation (“OIR”) on November 15, 2024. The fieldwork concluded as of August 7, 2025. This is the Company’s first full scope exam.

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, 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

This is the Company's first full scope exam performed by the OIR.

COMPANY HISTORY

General

The Company was incorporated in Florida on July 27, 2021. It was licensed by the OIR as an HMO on March 31, 2022, in accordance with Part 1 of Chapter 641, Florida Statutes. The Company commenced business on January 1, 2023.

Dividends

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

Capital Stock and Capital Contributions

As of December 31, 2023, the Company's capitalization was as follows:

Number of authorized common capital shares	1,000
Number of authorized preferred stock	0
Number of shares issued and outstanding	1,000
Total common capital stock	\$1
Par value per share	\$0.001

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

Directors serving as of December 31, 2023, are shown below:

Directors ^(a)		
Name	City, State	Principal Occupation, Company Name
John E Kao	Orange, CA	President & Chief Executive Officer, Alignment Healthcare USA, LLC
Robert Thomas Freeman	Hideout, UT	Chief Financial Officer, Alignment Healthcare USA, LLC
Matthew Patrick Malin	Tampa, FL	Senior Vice President, East Coast Region Alignment Healthcare USA, LLC
Vina Farrah Fuentebella	El Segundo, CA	Market Chief Financial Officer, Alignment Healthcare USA, LLC

(a) The Board size was increased, and Christopher John Joyce was elected as a Director effective March 12, 2024.

Senior Officers serving as of December 31, 2023, are shown below:

Senior Officers		
Name	City, State	Title
John E Kao	Orange, CA	President & Chief Executive Officer
Robert Thomas Freeman	Hideout, UT	Chief Financial Officer
Richard Alan Cross ^(b)	Los Alamitos, CA	Secretary
Henry Dinh Do	Irvine, CA	Medical Director

(b) Richard Cross was replaced with Christopher John Joyce effective March 12, 2024.

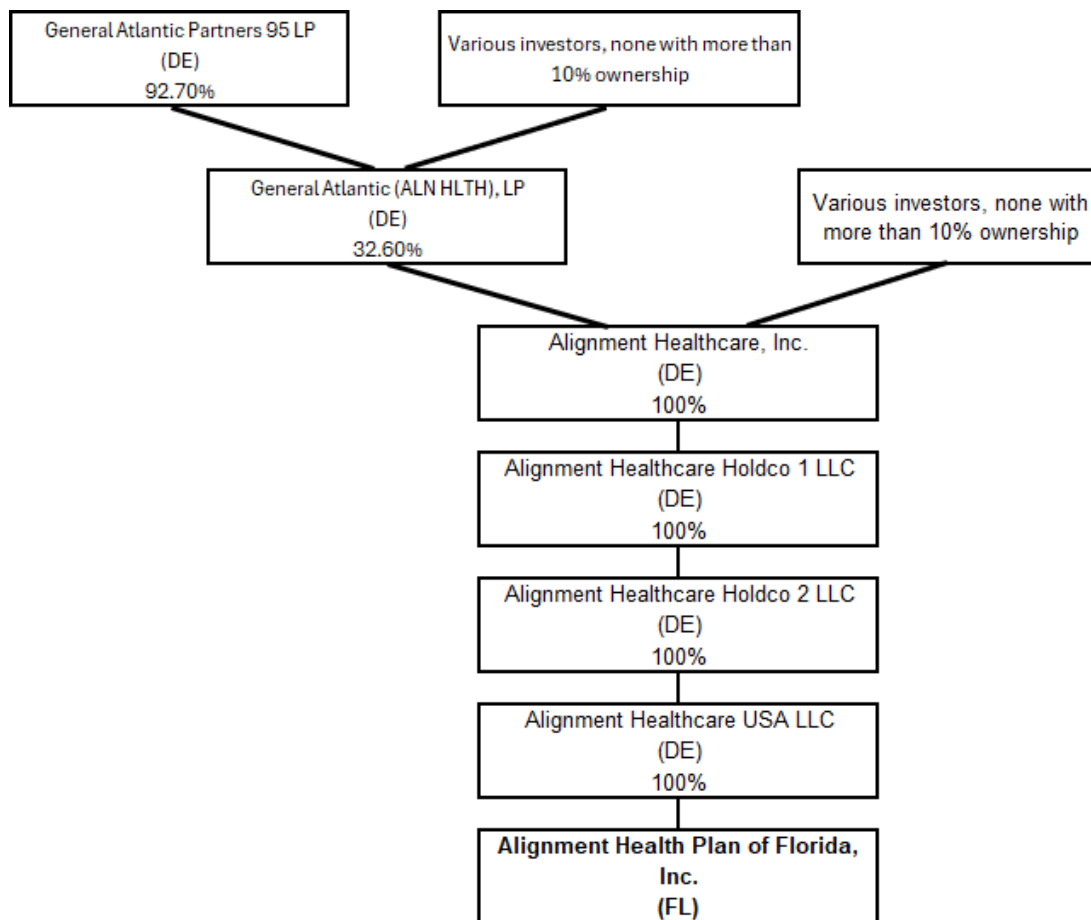
The Company's Board did not appoint any committees.

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.

Simplified Organizational Chart

December 31, 2023



AFFILIATED AGREEMENTS

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

Management and Administrative Services Agreement

The Company entered into a Management and Administrative Services Agreement (“Agreement”) with Alignment Healthcare USA, LLC (“AHCUSA”) effective January 1, 2021, which has been filed with the OIR as a trade secret. The Company has submitted the trade secret notice to OIR pursuant to the requirement of section 624.4213, Florida Statutes. The Company entered into a first amendment to the Agreement effective January 1, 2021.

Medical Services Agreement

The Company entered into a Medical Services Agreement with Alignment Healthcare Florida, LLC during the exam period which has been filed with the OIR as a trade secret. The Company has submitted the trade secret notice to OIR pursuant to the requirements of section 624.4213, Florida Statutes.

ACCOUNTS AND RECORDS

The Company maintained its principal operational offices in Orange, California.

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

Independent Auditor Agreement

An independent CPA, Deloitte & Touche, LLP, audited the Company’s statutory basis financial statements annually for the years 2023 and 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 documented its meetings and approval of Company transactions and events, in compliance with the Handbook adopted by Rule 69O-138.001, Florida Administrative Code. There were no investments to be authorized or ratified during the exam period.

TERRITORY AND PLAN OF OPERATIONS

The Company was authorized to provide managed care services in the State of Florida. The Company offers a Medicare Advantage product in four counties in Florida. As of December 31, 2023, the Company reported 162 members.

REINSURANCE

The reinsurance agreement reviewed complied with NAIC standards with respect to the standard insolvency clause, arbitration 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 on an HMO excess of loss basis. Effective January 1, 2023, the Company and certain affiliates entered into an HMO Reinsurance Agreement with Ironshore Indemnity Inc. ("Ironshore") for coverage on Medicare Advantage and Dual-Eligible Special Needs Plan products. Per the terms of the agreement, Ironshore will assume 90% of the eligible expenses for hospital inpatient and outpatient services in excess of the retention of \$300,000 per member per agreement with a maximum benefit of \$2,000,000 per member.

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 amended statutory financial statements filed by the Company with the NAIC, 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.

Alignment Health Plan of Florida, Inc.

Assets

December 31, 2023

	Per Company
Cash, cash equivalents and short-term investments	10,277,094
Subtotal cash and invested assets	10,277,094
Premiums and considerations	
Uncollected premiums and agents' balances	1,519
Accrued retrospective premiums	11,688
Health care and other amounts receivable	49,735
Totals	10,340,036

Alignment Health Plan of Florida, Inc.
Liabilities, Capital and Surplus
December 31, 2023

	Per Company
Claims unpaid	270,046
Unpaid claims adjustment expenses	5,186
Aggregate health policy reserves	1,475,579
Premiums received in advance	260
General expenses due or accrued	18,062
Amounts due to parent, subsidiaries and affiliates	760,264
Liability for amounts held under uninsured plans	42,139
Aggregate write-ins for other liabilities	683
Total liabilities	2,572,217
Common capital stock	1
Gross paid-in and contributed surplus	11,980,509
Unassigned funds (surplus)	(4,212,691)
Total capital and surplus	7,767,819
Total liabilities, capital and surplus	10,340,036

Alignment Health Plan of Florida, Inc.
Statement of Revenue and Expenses
December 31, 2023

	Per Company
Net premium income	1,845,173
Change in unearned premium reserves and reserve for rate credits	(10,111)
Total revenues	1,835,062
Hospital and Medical:	
Hospital/medical benefits	1,415,608
Other professional services	189,098
Emergency room and out-of-area	362,725
Prescription drugs	115,200
Aggregate write-ins for other hospital and medical	46,687
Subtotal	2,129,318
Total hospital and medical	2,129,318
Claims adjustment expenses	19,500
General administrative expenses	2,804,609
Increase in reserves for life and accident and health contracts	865,468
Total underwriting deductions	5,818,894
Net underwriting gain or (loss)	(3,983,833)
Net investment income earned	487,487
Net investment gains (losses)	487,487
Net gain or (loss) from agents or premium balances charged off	(27)
Aggregate write-ins for other income or expenses	(300)
Net income or (loss) after capital gains tax and before all other federal income taxes	(3,496,672)
Net Income (loss)	(3,496,672)

	Per Company
Capital and Surplus Account	
Capital and surplus, prior reporting year	10,720,980
Net Income or (loss)	(3,496,672)
Change in nonadmitted assets	(137,000)
Aggregate write-ins for gains or (losses) in surplus	680,510
Net change in capital and surplus	(2,953,162)
Capital and surplus, end of reporting year	7,767,819

**Alignment Health Plan of Florida, Inc.
Reconciliation of Capital and Surplus
December 31, 2023**

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

Capital/Surplus Change during Examination Period			
Beginning Surplus as of 3/31/2022			-
	Increase	Decrease	
Net Income or (loss)		4,073,439	
Change in nonadmitted assets		139,251	
Change in paid in surplus	11,299,999		
Aggregate write-ins for gain in surplus	680,510		
Net increase (or decrease)			7,767,819
Capital and Surplus at December 31, 2023, per Examination			7,767,819

COMMENTS ON FINANCIAL STATEMENT ITEMS

Liabilities

Losses and Loss Adjustment Expenses

Andrew Davis, FSA, MAAA, Deloitte Consulting LLP, 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, Jason Dunavin FSA, MAAA, Vice President & Principal of Lewis & Ellis, LLC, 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 \$7,767,819 exceeded the minimum of \$ 1,500,000 required by section 641.225, Florida Statutes.

SUBSEQUENT EVENTS

Tax Sharing Agreement

Effective September 12, 2024, the Company entered into a Tax Sharing Agreement with holding company Alignment Healthcare, Inc. ("AHCI") and all subsidiaries of the holding company to file, as AHCI elects, a consolidated federal and state income tax returns. The agreement provides that the tax liability of the affiliated group will be allocated to each member based on the percentage of income tax liability of each member computed on a separate return basis. To the extent a net operating loss or net capital loss is utilized in the consolidated tax return, the member incurring the loss will be compensated for the amount utilized. The agreement provides that tax balances will be settled within 90 days of filing the tax return. For examination year December 31, 2023, and prior, the Company filed taxes on a stand-alone basis. The agreement was approved by the OIR on September 12, 2024.

CONCLUSION

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

The following individuals with the firm of Lewis & Ellis, LLC participated in the examination: Jessica Lynch, CFE, Examiner-in-Charge; David Palmer, CFE, Examination Manager; Adrienne Sulaiman, CFE, Participating Examiner; Shilo Smith, Participating Examiner; Claire Chadick, Participating Examiner; and Philip Talerico, CPA, CFE, ARM, MCM, Participating Examiner. Members of OIR who participated in the examination include Margaret M. McCrary, CFE, CPA, MBA, Chief Financial Examiner. Additionally, Jason Dunavin, FSA, MAAA, of Lewis & Ellis, LLC and Lori Shores, CISA, IT Specialist of Transient, LLC a sub-contractor of Lewis & Ellis, LLC, are recognized for participation in the examination.

Respectfully submitted,



Jessica Lynch, CFE
Examiner-in-Charge
Lewis & Ellis, LLC



Carolyn M. Morgan, APIR
Director
Life & Health Financial Oversight
Florida Office of Insurance
Regulation Date Signed: 11/6/25