

EXAMINATION REPORT
of
VIRGINIA PREMIER HEALTH PLAN, INC.
Richmond, Virginia
as of
December 31, 2019

COMMONWEALTH OF VIRGINIA



SCOTT A. WHITE
COMMISSIONER OF INSURANCE
STATE CORPORATION COMMISSION
BUREAU OF INSURANCE

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I, Scott A. White, Commissioner of Insurance of the Commonwealth of Virginia, do hereby certify that the annexed copy of the Examination Report of Virginia Premier Health Plan, Inc. as of December 31, 2019, is a true copy of the original report on file with this Bureau.

IN WITNESS WHEREOF, I have hereunto set my hand
and affixed to the original the seal of the Bureau at the City
of Richmond, Virginia this 20th day of November 2020

A handwritten signature in black ink, appearing to read 'Scott A. White', written over a horizontal line.

Scott A. White
Commissioner of Insurance



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Richmond, Virginia
September 24, 2020

Honorable Scott A. White
Commissioner of Insurance
Richmond, Virginia

Dear Sir:

Pursuant to your instructions and by the authority of Section 38.2-4315 of the Code of Virginia, an examination of the records and affairs of

VIRGINIA PREMIER HEALTH PLAN, INC.

Richmond, Virginia

hereinafter referred to as the Corporation, has been completed. The report thereon is submitted for your consideration.

SCOPE OF THE EXAMINATION

The last examination of the Corporation was made by representatives of the State Corporation Commission's (the "Commission") Bureau of Insurance (the "Bureau") as of December 31, 2016. The current examination covers the three-year period from January 1, 2017 through December 31, 2019.

This examination was conducted in accordance with the NAIC Financial Condition Examiners' Handbook (Handbook). The Handbook requires that the Bureau plan and perform the examination to evaluate the Corporation's financial condition, assess corporate governance, identify current and prospective risks of the Corporation 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 Corporation 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 Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein.

This examination report includes significant findings of fact 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, proprietary information, etc.), are not included within the examination report but separately communicated to other regulators and/or the Corporation.

HISTORY

The Corporation was incorporated in the Commonwealth of Virginia on January 31, 1994 and became licensed in Virginia as a health maintenance organization ("HMO") pursuant to Chapter 43 of Title 38.2 of the Code of Virginia on August 2, 1995. The Corporation was organized as a wholly-owned subsidiary of PHP Healthcare Corporation ("PHP"). On January 31, 1996, PHP sold a 30% interest in the Corporation to University Health Services Managed Care, Inc. ("UHSMC"), an affiliate of the Virginia Commonwealth University Health System Authority ("VCUHSA"). On December 22, 1998, UHSMC purchased the remaining shares in the Corporation. On December 15, 2000, the Corporation changed its name from Virginia Chartered Health Plan, Inc. to Virginia Premier Health Plan, Inc.

Effective July 1, 2010, UHSMC and the Corporation merged with the Corporation remaining as the surviving entity. As part of this transaction, 1,000 shares of no par, common stock were issued to University Health Services, Inc. which, in turn, transferred the shares to VCUHSA. As a result, VCUHSA became the sole shareholder of the Corporation.

In August 2013, the Internal Revenue Service approved the Corporation's application for tax exempt status effective July 1, 2010.

CAPITAL AND SURPLUS

At December 31, 2019, the Corporation's capital and surplus was \$213,550,838. According to the restated Articles of Incorporation, the Corporation has the authority to issue 1,000 shares of no par, common stock. At December 31, 2019, 1,000 shares of common stock, with a total value of \$10,000, were issued and outstanding with gross paid in and contributed surplus of \$9,261,977, surplus notes of \$98,750,000 and unassigned funds (surplus) of \$105,528,861.

On June 1, 2014, VCUHSA issued a \$75,000,000 subordinated promissory note to the Corporation. Interest on the subordinated promissory note bears a rate between 4.67% and 4.88% per annum. On May 18, 2017, the Corporation repaid \$26,250,000 in principal and \$8,532,000 in interest to VCUHSA. On December 31, 2018, VCUHSA issued a \$50,000,000 subordinated promissory note to the Corporation. Interest on the subordinated

promissory note bears a rate equal to the Libor Market Index plus one percent per annum. At December 31, 2019, accrued interest on the subordinated promissory notes is \$7,391,727. Repayment of principal and/or interest requires prior written approval of the Bureau.

CAPITAL AND SURPLUS REQUIREMENT

Section 38.2-4302 of the Code of Virginia states that an HMO licensed in Virginia shall maintain a minimum net worth in an amount at least equal to the sum of uncovered expenses, but not less than \$600,000, up to a maximum of \$4,000,000. 14 VAC 5-211-30 A requires that an HMO report the sum of its uncovered expenses for each three-month period ending December 31, March 31, June 30 or September 30. Section 38.2-4307.1 C states that a statement of covered and uncovered expenses shall not be required for any HMO that reports capital and surplus of at least \$4,500,000 on its most recent annual or quarterly financial statement. At December 31, 2019, the Corporation reported capital and surplus greater than \$4,500,000 and was not required to file a statement of covered and uncovered expenses.

MANAGEMENT AND CONTROL

The bylaws of the Corporation provide that the Board of Directors shall be responsible for the business and affairs of the Corporation. Directors are elected for three-year staggered terms at the annual meeting of the shareholders. On December 9, 2015, the Board approved a decrease in the number of Directors from nine to seven. The Directors shall be divided into three groups, each of which shall consist of as close to one-third of the total number of Directors as possible. A majority of the Board of Directors shall constitute a quorum for the transaction of business.

The officers of the Corporation shall consist of a President, a Chief Executive Officer, a Treasurer, and such other officers as the Board of Directors may from time to time elect. Each such officer shall hold office at the pleasure of the Board of Directors and until their successors are elected.

At December 31, 2019, the Board of Directors and Officers were as follows:

<u>Directors</u>	<u>Principal Occupation</u>
Arline D. Bohannon, M.D.	Internal Medicine Physician VCU Medical Center Richmond, Virginia

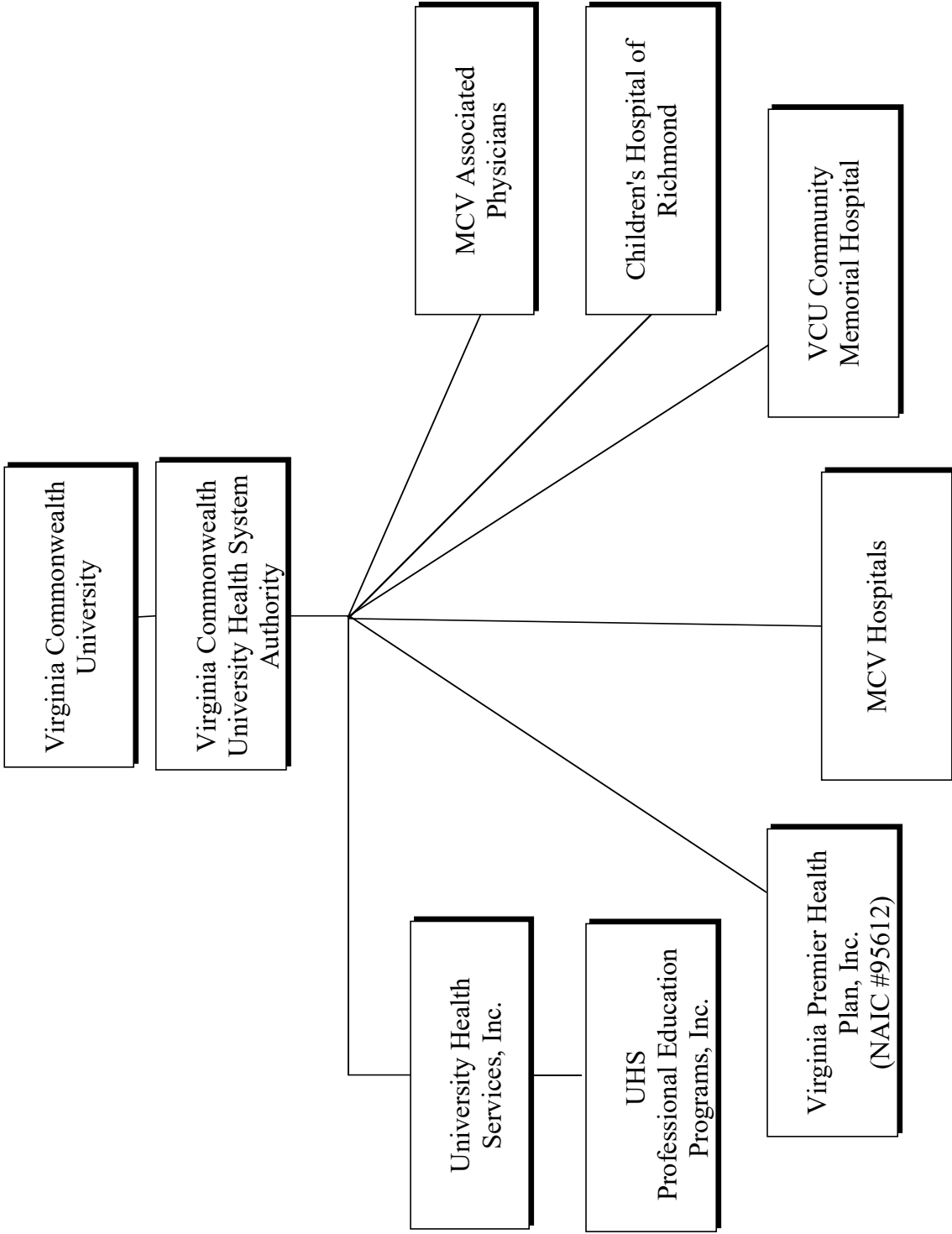
Mae H. Fox	Director of Government Relations Eckert Seamans Law Firm Richmond, Virginia
Jennifer L. McClellan	Assistant General Counsel Mid-Atlantic South at Verizon Richmond, Virginia
Marsha D. Rappley, M.D.	VCU – Vice President for Health Services VCU Health System Authority – Chief Executive Officer Richmond, Virginia
Susan D. Roseff, M.D.	VCU - Vice Chair Department of Pathology Division Chair, Clinical Pathology Richmond, Virginia
Donald R. Stern, M.D.	Director Richmond City Health District Richmond, Virginia
Joseph M. Teefey	Retired Director Department of Medical Assistance Services Richmond, Virginia

Officers

Marsha D. Rappley, M.D.	Chair
Linda Hines	President and Chief Executive Officer
Tim E. Carpenter	Chief Financial Officer and Treasurer

AFFILIATED COMPANIES

At December 31, 2019, the Corporation is a wholly owned subsidiary of VCUHSA. The chart on the following page illustrates the organizational structure of the Corporation and selected affiliated entities at December 31, 2019.



TRANSACTIONS WITH AFFILIATES

Administrative Service Agreement

Effective January 1, 2002, the Corporation entered into an Administrative Service Agreement with VCUHSA. Pursuant to the agreement, the Corporation and VCUHSA shall perform certain administrative services for each other to include executive management reporting, treasury management services, information system services and regulatory and financial management. For these services, the Corporation and VCUHSA shall reimburse each other all direct costs and indirect allocable costs incurred. The agreement shall remain in effect unless terminated for cause by the Corporation with immediate effect or until terminated by either party upon thirty days written notice. The Corporation incurred \$6,527,000 and \$10,706,000 in fees related to this agreement in 2019 and 2018, respectively.

Provider Agreements

The Corporation contracts with a number of subsidiaries of VCUHSA to provide hospital, physician and other medical services to its members.

TERRITORY AND PLAN OF OPERATION

At December 31, 2019, the Corporation's service area, as reported in its 2019 Annual Statement, included the Virginia cities of Alexandria, Arlington, Bristol, Buena Vista, Charlottesville, Chesapeake, Colonial Heights, Covington, Danville, Emporia, Fairfax, Falls Church, Fredericksburg, Galax, Hampton, Harrisonburg, Hopewell, Lexington, Lynchburg, Manassas, Manassas Park, Martinsville, Newport News, Norfolk, Norton, Petersburg, Poquoson, Portsmouth, Radford, Richmond, Roanoke, Salem, Staunton, Suffolk, Virginia Beach, Waynesboro, Williamsburg and Winchester and the Virginia counties of Accomack, Albemarle, Allegheny, Amelia, Amherst, Appomattox, Augusta, Bath, Bedford, Bland, Botetourt, Brunswick, Buchanan, Buckingham, Campbell, Carroll, Charles City, Charlotte, Clarke, Clifton Forge, Craig, Cumberland, Dickenson, Dinwiddie, Essex, Fauquier, Floyd, Fluvanna, Franklin, Frederick, Giles, Gloucester, Goochland, Grayson, Greene, Greensville, Halifax, Hanover, Henrico, Henry, Highland, Isle of Wright, James City, King and Queen, King George, King William, Lancaster, Lee, Loudoun, Louisa, Lunenburg, Matthew, Mecklenburg, Middlesex, Montgomery, Nelson, New Kent, Northampton, Northumberland, Nottoway, Page, Patrick, Pittsylvania, Powhatan, Prince Edward, Prince George, Prince William, Pulaski, Richmond, Roanoke, Rockbridge, Rockingham, Russell, Scott, Shenandoah, Smyth, South Boston, Southampton, Spotsylvania, Stafford, Surry, Sussex, Tazewell, Washington, Westmoreland, Wise and Wythe.

Physician services are provided by physicians in independent practice in the Corporation's service area. Each member selects a Primary Care Physician ("PCP") from the list of the Corporation's primary providers. The PCP is the coordinator for all of the member's health care needs. All specialty services and all hospital admissions and outpatient surgery require a prior written referral (except in emergencies) from a PCP.

In January 2019, the Corporation began accepting membership in the individual marketplace of the Virginia Insurance Exchange. At December 31, 2019, the Corporation had 4,256 members in the Exchange.

HEALTH CARE SERVICES AGREEMENTS

At December 31, 2019, the Corporation had entered into a Medallion 4.0 Medicaid Managed Care Services Agreement and a Family Access to Medical Security Insurance ("FAMIS") Agreement with the Virginia Department of Medical Assistance Services ("DMAS"). Pursuant to these agreements, the Corporation is responsible for directly providing, arranging, purchasing, or otherwise making available the full scope of services to which enrollees are entitled under the respective programs. As compensation for these services, DMAS pays the Corporation a monthly capitation fee based on each enrollees number, age, and sex.

Additionally, at December 31, 2019, the Corporation had an agreement with the Centers for Medicare and Medicaid Services and DMAS to provide services under the Commonwealth Coordinated Care Program established by the Commonwealth of Virginia. The program pays capitated fees to the Corporation to provide managed care services to Virginia residents who are eligible for both Medicare and Medicaid services.

PROVIDER AGREEMENTS

Medical Services

The Corporation has entered into agreements with numerous PCPs and specialist physicians to render, provide or arrange for the provision of covered health care services to members. The Corporation compensates physicians either on a capitated basis or a fee-for-service arrangement. Specialist physicians are compensated on a fee-for-service basis in accordance with the Corporation's fee schedule for the particular covered service.

Hospital Care

The Corporation has entered into agreements with a number of hospitals in its service area to provide covered hospital services to its members. Charges for services rendered are in accordance with compensation schedules attached to each individual agreement.

Other Health Care Services

The Corporation has entered into various ancillary service agreements. These agreements provide home health care services, pharmacy services, laboratory services, durable medical equipment and other related covered health care services. Compensation is based on arrangements set forth in each agreement.

BENEFITS

The general benefits available to the Corporation's Medicaid enrollees when provided by PCPs, specialist physicians and other professional providers and approved by the Corporation are as follows:

1. Inpatient Hospital Services
2. Outpatient Medical Care
3. Physician Services
4. Maternity Care
5. Maternal and Infant Care Coordination
6. Women's Wellness Program
7. Well Child Program
8. Rehabilitation Services
9. Home Health Services
10. Family Planning
11. Vision Care
12. Mental Health Services
13. Disease Management
14. Prescription Drugs
15. Durable Medical and Prosthetic Devices
16. Transportation Services
17. Health Education Programs

Exclusions generally consist of services obtained without prior written referral by the member's PCP; inpatient care in a long-term care institution; chiropractic services; experimental or investigational procedures; private duty nursing; and substance abuse services. The above are general summaries of coverages and exclusions and are not intended to be all inclusive.

GROWTH OF THE CORPORATION

The following data represents the growth of the Corporation for the ten-year period ending December 31, 2019. The data is compiled from the Corporation's filed Annual Statements, previous examination reports, and the current examination report.

<u>Year</u>	Total Admitted <u>Assets</u>	Total <u>Liabilities</u>	Capital And <u>Surplus</u>
2010	\$131,958,119	\$70,123,890	\$61,834,229
2011	133,759,098	71,907,740	61,851,358
2012	167,454,950	93,520,641	73,934,309
2013	183,628,676	83,825,680	99,802,996
2014	282,292,367	124,554,682	157,737,685
2015	281,926,696	113,646,408	168,280,288
2016	302,790,662	102,962,403	199,828,259
2017	366,448,086	160,309,355	206,138,731
2018	355,720,235	194,277,798	161,442,437
2019	465,872,885	252,322,047	213,550,838

<u>Year</u>	Total <u>Revenue</u>	Net Investment <u>Gain</u>	Medical & Hospital <u>Expenses</u>	Administrative <u>Expenses</u>	Pre-Tax Income <u>(Loss)</u>
2010	\$531,288,281	\$339,769	\$457,657,514	\$46,781,033	\$27,189,503
2011	524,691,209	694,771	453,656,691	50,012,695	21,716,594
2012	586,064,368	182,337	526,514,034	44,998,074	14,734,597
2013	714,904,228	2,385,728	656,274,001	51,734,670	9,281,285
2014	825,069,219	1,517,781	756,910,163	71,458,352	(1,781,515)
2015	1,024,582,569	1,073,856	923,904,360	84,723,322	17,028,743
2016	1,070,388,753	(541,122)	941,859,447	97,086,946	30,901,238
2017	1,206,947,465	5,303,031	1,049,082,755	137,568,653	25,599,088
2018	1,462,726,346	5,402,013	1,359,014,028	191,877,726	(82,763,395)
2019	1,991,996,925	4,172,393	1,767,474,409	192,629,027	36,065,882

The Corporation's enrollment data at year-end is illustrated as follows:

<u>Year</u>	<u>Number of Members</u>
2010	155,575
2011	143,029
2012	171,821
2013	175,491
2014	190,106
2015	193,594
2016	195,467
2017	218,371
2018	214,927
2019	284,540

EXCESS LOSS INSURANCE

At December 31, 2019, the Corporation had an Excess Loss Insurance Policy in force with Swiss Re Life & Health America, Inc. ("Swiss Re"). Under the terms of the agreement, the deductible is \$450,000 per member per policy year. Once the deductible has been reached, Swiss Re will reimburse the Corporation 90% of all eligible expenses. The maximum insurance coverage payable under the policy for each member during any policy year shall be \$5,000,000. The agreement includes a continuation of coverage endorsement in the event of the Corporation's insolvency.

SPECIAL RESERVES AND DEPOSITS

At December 31, 2019, the Bureau required that the Corporation maintain a \$586,190 minimum deposit with the Treasurer of Virginia.

FINANCIAL STATEMENTS

The following financial statements present the financial condition of the Corporation for the period ending December 31, 2019. No examination adjustments were made to the statutory financial statements filed by the Corporation with the Bureau for the period ending December 31, 2019.

ASSETS

	<u>Assets</u>	Nonadmitted <u>Assets</u>	Net Admitted <u>Assets</u>
Bonds	\$8,231,135		\$8,231,135
Common stocks	65,492,715		65,492,715
Properties held for the production of income	303,075		303,075
Cash, cash equivalents and short-term investments	95,830,016		95,830,016
Other invested assets	60,148,981		60,148,981
Aggregate write-ins for invested assets	<u>12,138,694</u>	<u>11,783,928</u>	<u>354,766</u>
Subtotals, cash and invested assets	\$242,144,616	\$11,783,928	\$230,360,688
Investment income due and accrued	77,468		77,468
Uncollected premiums and agents' balances in the course of collection	181,046,362		181,046,362
Amounts recoverable from reinsurers	1,866,950		1,866,950
Electronic data processing equipment and software	15,774,176	14,658,471	1,115,705
Furniture and equipment, including health care delivery assets	2,839,518	2,839,518	0
Receivables from parent, subsidiaries and affiliates	39,177,794		39,177,794
Health care and other amounts receivable	<u>17,791,011</u>	<u>5,563,093</u>	<u>12,227,918</u>
Total assets	<u><u>\$500,717,895</u></u>	<u><u>\$34,845,010</u></u>	<u><u>\$465,872,885</u></u>

LIABILITIES, CAPITAL AND SURPLUS

	<u>Covered</u>	<u>Uncovered</u>	<u>Total</u>
Claims unpaid	\$175,806,381		\$175,806,381
Unpaid claims adjustment expenses	5,043,036		5,043,036
Aggregate health policy reserves	12,522,141		12,522,141
Premiums received in advance	316,363		316,363
General expenses due or accrued	40,942,450		40,942,450
Amounts due to parent, subsidiaries and affiliates	89,464		89,464
Aggregate write-ins for other liabilities	<u>125,355,805</u>	<u>(107,753,593)</u>	<u>17,602,212</u>
Total liabilities	<u>\$360,075,640</u>	<u>(\$107,753,593)</u>	<u>\$252,322,047</u>
Common capital stock			\$10,000
Gross paid in and contributed surplus			9,261,977
Surplus notes			98,750,000
Unassigned funds (surplus)			<u>105,528,861</u>
Total capital and surplus			<u>\$213,550,838</u>
Total liabilities, capital and surplus			<u><u>\$465,872,885</u></u>

STATEMENT OF REVENUE AND EXPENSES

	<u>Uncovered</u>	<u>Total</u>
Net premium income	XXX	\$1,991,575,627
Aggregate write-ins for other health care related revenues	<u>XXX</u>	<u>421,298</u>
Total revenues	<u>XXX</u>	<u>\$1,991,996,925</u>
Hospital and Medical		
Hospital/medical benefits	\$36,858,871	\$463,257,576
Other professional services	73,474,361	833,678,289
Outside referrals	30,000,484	60,586,641
Emergency room and out-of-area	509,466	70,555,619
Prescription drugs		<u>336,975,620</u>
Subtotal	<u>\$140,843,182</u>	<u>\$1,765,053,745</u>
Less:		
Net reinsurance recoveries		<u>(2,420,664)</u>
Total hospital and medical	\$140,843,182	\$1,767,474,409
Claims adjustment expenses		33,255,912
General administrative expenses		<u>159,373,115</u>
Total underwriting deductions	<u>\$140,843,182</u>	<u>\$1,960,103,436</u>
Net underwriting gain	<u>XXX</u>	<u>\$31,893,489</u>
Net investment income earned		\$3,856,712
Net realized capital gains		<u>315,681</u>
Net investment gains		<u>\$4,172,393</u>
Net income before federal income taxes	XXX	\$36,065,882
Federal income taxes incurred	<u>XXX</u>	<u>0</u>
Net income	<u>XXX</u>	<u>\$36,065,882</u>

RECONCILIATION OF CAPITAL AND SURPLUS

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Capital and surplus prior reporting year	<u>\$199,828,259</u>	<u>\$206,138,731</u>	<u>\$161,442,437</u>
GAINS AND LOSSES TO CAPITAL AND SURPLUS			
Net income (loss)	\$25,765,928	(\$82,763,395)	\$36,065,882
Change in net unrealized capital gains	10,610,153	(8,555,651)	18,957,672
Change in nonadmitted assets	(3,815,609)	(3,377,248)	(2,915,153)
Change in surplus notes	<u>(26,250,000)</u>	<u>50,000,000</u>	<u>0</u>
Net change in capital and surplus	<u>\$6,310,472</u>	<u>(\$44,696,294)</u>	<u>\$52,108,401</u>
Capital and surplus end of reporting year	<u><u>\$206,138,731</u></u>	<u><u>\$161,442,437</u></u>	<u><u>\$213,550,838</u></u>

CASH FLOW**Cash from Operations**

Premiums collected net of reinsurance	\$1,946,694,041
Net investment income	4,269,653
Miscellaneous income	421,298
Total	<u>\$1,951,384,992</u>
Benefit and loss related payments	\$1,737,034,123
Commissions, expenses paid and aggregate write-ins for deductions	157,588,826
Total	<u>\$1,894,622,949</u>
Net cash from operations	<u>\$56,762,043</u>

Cash from Investments

Proceeds from investments sold, matured or repaid	
Bonds	\$31,731,770
Stocks	147,062
Other invested assets	3,351,962
Total investment proceeds	<u>\$35,230,794</u>
Cost of investments acquired (long-term only)	
Bonds	\$23,659,934
Stocks	4,843,048
Miscellaneous applications	180,525
Total investment acquired	<u>\$28,683,507</u>
Net cash from investments	<u>\$6,547,288</u>

Cash from Financing and Miscellaneous Sources

Cash provided (applied):	
Other cash applied	<u>(\$42,290,317)</u>
Net cash from financing and miscellaneous sources	<u>(\$42,290,317)</u>

RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS

Net change in cash and short-term investments	\$21,019,013
Cash and short-term investments:	
Beginning of the year	<u>74,811,003</u>
End of the year	<u><u>\$95,830,016</u></u>

SUBSEQUENT EVENTS

1. On March 11, 2020, The World Health Organization declared the spreading coronavirus (COVID-19) outbreak a pandemic. On March 13, 2020, U.S. President Donald J. Trump declared the coronavirus pandemic a national emergency in the United States. The epidemiological threat posed by COVID-19 is having disruptive effects on the economy, including disruption of the global supply of goods, reduction in the demand for labor, and reduction in the demand for U.S. products and services, resulting in a sharp increase in unemployment. The economic disruptions caused by COVID-19 and the increased uncertainty about the magnitude of the economic slowdown has also caused extreme volatility in the financial markets.

The full effect of COVID-19 on the U.S. and global insurance and reinsurance industry is still unknown at the time of releasing this report. The Bureau is expecting the COVID-19 outbreak to impact a wide range of insurance products resulting in coverage disputes, reduced liquidity of insurers, and other areas of operations of insurers. The Bureau and all insurance regulators, with the assistance of the NAIC, are monitoring the situation through a coordinated effort and will continue to assess the impacts of the pandemic on U.S. insurers. The Bureau has been in communication with the Corporation regarding the impact of COVID-19 on its business operations and its financial position. No current material operational, solvency or liquidity concerns resulted from the high level assessment of the Corporation's operational and solvency position as a result of COVID-19.

2. On March 25, 2020, the VCUHSA Board of Directors adopted a resolution to cancel and forgive the \$48,500,000 (balance of the original \$75,000,000 subordinated promissory note) and the \$50,000,000 subordinated promissory notes plus accrued interest issued to the Corporation on June 1, 2014 and December 31, 2019, respectively.
3. On March 31, 2020, the Bureau approved a change in control of the Corporation. Pursuant to a Stock Purchase Agreement, Sentara Healthcare, Inc. (Sentara) purchased 80% of the issued and outstanding common stock of the Corporation. Following closing on April 7, 2020, Sentara's President and Chief Executive Officer, Dennis Matheis, became the Chief Executive Officer of the Corporation. The Corporation will continue to operate under the oversight and direction of its Board of Directors. The Board will consist of ten directors with eight directors elected by Sentara and two elected by VCUHSA. The Corporation will continue to operate as a separate company retaining its name. The Corporation will continue writing the same business and coverages in the same geographic areas in Virginia, however, the Corporation will cease participation in the individual marketplace of the Virginia Insurance Exchange after the 2020 plan year.

CONCLUSION

The courteous cooperation extended by the Corporation's officers and employees during the course of the examination is gratefully acknowledged. In addition to the undersigned, Gerald Hicks, Kevin Knight, CFE, and Ben MacKercher, AFE, participated in the work of the examination.

Respectfully submitted,

A handwritten signature in black ink that reads "Kenneth G. Campbell". The signature is written in a cursive style with a large initial 'K' and a distinct 'M' at the end.

Kenneth G. Campbell, CFE
Assistant Chief Examiner



Virginia Premier Health Plan, Inc.

4417 Corporation Lane

Virginia Beach, VA 23462

757.552.7306

www.virginiapremier.com

November 13, 2020

David H. Smith
Chief Examiner
Virginia Bureau of Insurance
1300 East Main Street
Richmond, VA 23219

David,

We acknowledge receipt of the draft report. We wish to express our appreciation to you and your staff for conducting an efficient and well-coordinated examination.

In terms of copies, if possible we would like to receive 12 copies.

Thank you,

A handwritten signature in blue ink, appearing to read "Dennis Matheis".

Dennis Matheis

President, Virginia Premier Health Plan, Inc.