



NC DEPARTMENT
of **INSURANCE**
MIKE CAUSEY, COMMISSIONER

COMPANY SERVICES GROUP
FINANCIAL EXAMINATION DIVISION

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I, Mike Causey, Commissioner of Insurance in and for the State of North Carolina do hereby certify that: I have caused Longevity Health Plan of North Carolina, Inc. as of December 31, 2022 with the original on file at this Department and find the same to be a correct copy of the whole said original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this the 18th day of March, 2024.



Mike Causey
Commissioner of Insurance

Monique D. Smith, CPA, CFE, CIA
Deputy Commissioner
Financial Examination Division

Longevity Health Plan of North Carolina, Inc.

Raleigh, North Carolina

Report on Examination

As of December 31, 2022

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February 13, 2024

Honorable Mike Causey
Commissioner of Insurance
State of North Carolina
Raleigh, North Carolina

Sir:

Pursuant to your instructions and in accordance with Section (“§”) 58-67-100 and 58-2-131 of the General Statutes of North Carolina (“GS”), the North Carolina Department of Insurance (“Department”) conducted an examination of the records, business affairs and financial condition of

Longevity Health Plan of North Carolina, Inc.

(hereinafter referred to as the “Company”), acknowledging that its main administrative office is located at 11780 US Highway One, Suite N107, Palm Beach Gardens, Florida 33408. The Company’s statutory home office is located at 2626 Glenwood Avenue, Suite 500, Raleigh, North Carolina 27608. The following report on examination is respectfully submitted.

SCOPE OF THE EXAMINATION

We performed a full-scope statutory examination of the Company. This examination covers the period from April 14, 2020, to December 31, 2022, including any material transactions and events occurring subsequent to the examination date and noted during the course of this examination. This is the Department’s first examination of the Company.

The purpose of this examination is to assess the financial condition and controls of the Company and set forth findings of fact (together with citations of pertinent laws, regulations, and rules) with regard to any material adverse findings disclosed by the examination.

This was a coordinated financial examination of six (6) insurance company subsidiaries of Longevity Health Founders, LLC, collectively known as the “Longevity Health Group”. New York served as the Lead State, and Participating States included North Carolina, Florida, Illinois, Michigan, and New Jersey.

We conducted our examination in accordance with auditing standards established by the Department and the National Association of Insurance Commissioners (“NAIC”) Financial Condition Examiners Handbook (“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 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 and the following key functional activities were identified:

Underwriting
Claims Handling
Reserving
Related Parties
Investments
Capital and Surplus

This may include assessing significant estimates made by management, as well as evaluating the overall financial statement presentation, management's compliance with GS Chapter 58 and evaluating management's compliance with statutory accounting principles. This 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 from the Company's financial statements.

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 the Company.

The Company's Annual Statements, work papers, and the independent audit work papers were reviewed and relied upon whenever possible. A trial balance reconciliation of the Annual Statement was performed, as were a verification of ownership and valuation of assets, determination of liabilities and reserves, and an analysis and review of such accounts and records as deemed necessary by the examination team. A management representation letter attesting to the Company's ownership of assets, the nonexistence of unrecorded liabilities and contingent liabilities was received from Company management.

The books and records of the Company are audited annually by independent certified public accountants in accordance with GS § 58-10-185(a) pursuant to GS § 58-67-171. LBMC, PC of Brentwood, Tennessee, the designated independent public accountant of the Company, issued an unmodified opinion for the years ended December 31, 2021, and 2022.

REPORT ACRONYMS

General Statutes of North Carolina	“GS”
Longevity Health Plan of North Carolina, Inc.	“Company”
North Carolina Department of Insurance	“Department”
National Association of Insurance Commissioners	“NAIC”
Financial Condition Examiners Handbook	“Handbook”
Board of Directors	“Board”
North Carolina Administrative Code	“NCAC”
Longevity Health Holdings of North Carolina, LLC	“LHHNC”
Longevity Health Founders, LLC	“LHF”
Health Maintenance Organization	“HMO”
LHP MSO, LLC	“MSO”
Longevity IPA of North Carolina, LLC	“IPA”
Institutional Special Needs Plan	“I-SNP”
Centers for Medicare and Medicaid Services	“CMS”
Independent Provider Association	“IPA”

“Four Investors” of LHHNC

PPG LHP NC, LLC
Broadway LHP NC, LLC
ISNPCO, LLC
WWBV Ventures, LLC

“Longevity Health Group”

Longevity Health Founders, LLC
Longevity Health Plan of North Carolina, LLC
Longevity Health Plan of Florida, LLC
Longevity Health Plan of New York, LLC
Longevity Health Plan of Michigan, LLC
Longevity Health Plan of Illinois, LLC
Longevity Health Plan of New Jersey, LLC

SUMMARY OF SIGNIFICANT FINDINGS

COMMENTS, RECOMMENDATIONS, AND DIRECTIVES

- a. The Company’s 2021 and 2022 Board of Director (“Board”) meeting minutes did not include evidence of the Board’s authorization of investment transactions made during the period. Therefore, the Company was not in compliance with GS § 58-7-168 which states, “An insurer shall not make any investment or loan, other than a policy loan or annuity contract loan of a life insurer, unless the investment or loan is authorized or approved by the insurer’s board of directors or by a committee authorized by the board and charged with the supervision or making of the investment or loan. The minutes of any such committee shall be recorded and regular reports of the committee shall be submitted to the board of directors.” The Company is directed to comply with GS § 58-7-168.

- b. The Company’s 2022 Board meeting minutes did not include evidence of the Board’s annual appointment of the Company’s actuary in relation to amounts reported in the 2022 Annual Statement. Therefore, the Company was not in compliance with the 2022 Health Annual Statement Instructions, which states: “The appointed actuary must be a qualified health actuary appointed by the board of directors, or its equivalent, or by a committee of the board, by December 31 of the calendar year for which the opinion is rendered.” The Company is directed to comply with Health Annual Statement Instructions pursuant to GS § 58-2-165(c).
- c. In 2021, the Company’s policy and procedures did not require directors and officers to execute conflict of interest statements annually; therefore, signed conflict of interest forms were not available for the year 2021. The Company required relevant individuals to promptly report any conflicts of interest as they arose; however, signed forms were not required annually until 2022. The Company was not in compliance with North Carolina Administrative Code (“NCAC”) Title 11, Chapter 11C.0117 which states, “Conflict of interest statements shall be executed annually by the officers, directors, trustees, attorneys-in-fact, and administrative personnel of every domestic insurer subject to GS 58, Articles 1 through 67.” The Company is directed to comply with NCAC Title 11, Chapter 11C.0117.
- d. The Company was not in compliance with its bylaws regarding the timely annual election of directors during the annual shareholders meeting. Section 2.2 of the Company’s bylaws states: “The annual meeting of shareholders for the election of directors and the consideration of reports to be laid before such meeting shall be on the first Monday of the fourth month following the close of each fiscal year of the Corporation. At the meeting, directors shall be elected, and any other proper business may be transacted.” On January 23, 2023, the Company initiated annual written consents, retroactively appointing directors. The Company is directed to comply with its bylaws or amend the bylaws to reflect current practices.

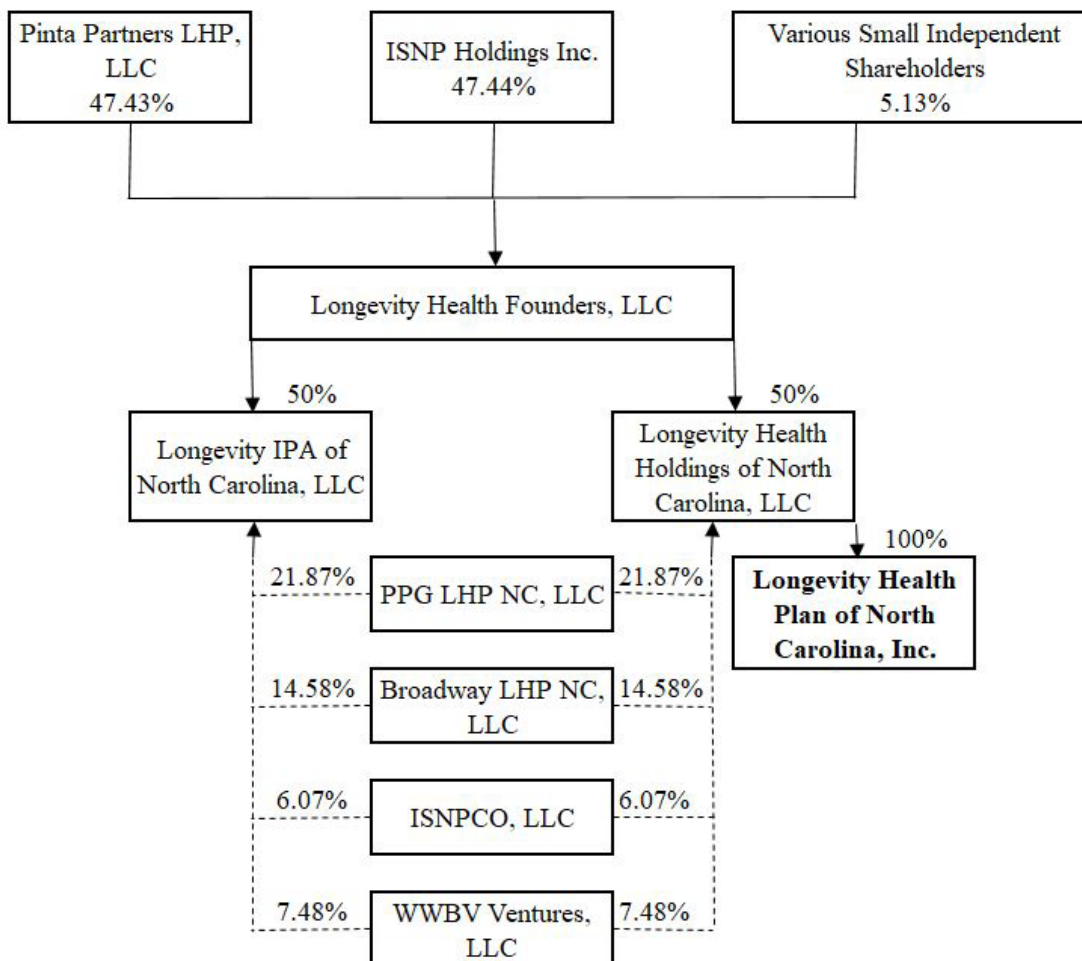
ORGANIZATIONAL STRUCTURE

The Company is part of an insurance holding company system as defined in GS § 58-19. The Company is a wholly owned subsidiary of Longevity Health Holdings of North Carolina, LLC (“LHHNC”), a Delaware corporation. Longevity Health Founders, LLC (“LHF”) owns approximately 50% of all outstanding shares of LHHNC and the remaining 50% is owned by four other investors as follows: PPG LHP NC, LLC (21.87%), Broadway LHP NC, LLC (14.58%), ISNPCO, LLC (6.07%), and WWBV Ventures, LLC (7.48%), collectively known as the “Four Investors”. In 2021, the Four Investors contributed \$3,960,000 in capital to the Company’s parent, LHHNC, according to their respective ownership percentages. LHF owns over 90% of the voting rights for LHHNC and LHF is the Company’s ultimate controlling parent.

LHF owns holding companies, which own various Medicare Advantage Health Plans currently licensed as insurance companies and operating as Institutional Special Needs Programs (“I-SNPs”) in North Carolina, New York, New Jersey, Illinois, Colorado, Florida, Massachusetts, and Michigan.

ORGANIZATIONAL CHART

The Company’s 2022 Annual Statement Schedule Y contains a complete organizational chart. The following is a summarized organizational chart of the Company within the holding company group as of December 31, 2022:



COMPANY HISTORY

The Company was incorporated on December 9, 2019, under the laws of the State of North Carolina and became licensed as a Health Maintenance Organization (“HMO”) on April 14, 2020. The Company commenced business on January 1, 2021. The Company was initially funded in 2020 through the issuance of \$10,000 of common capital stock and a gross paid-in capital contribution of \$3,490,000.

CAPITAL STOCK

As of December 31, 2022, the Company's capitalization consisted of the following:

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

No additional shares were issued during the period under examination. As of December 31, 2022, all outstanding shares of the Company were owned by LHHNC.

The Company received an additional paid-in capital contribution from its parent, LHHNC, of \$1,840,000 in 2021. At December 31, 2022, the Company reported \$5,330,000 in gross paid-in and contributed surplus and \$(72,532) in unassigned surplus. The Company paid no dividends to stockholders during the period under examination.

MANAGEMENT AND CONTROL

CORPORATE GOVERNANCE

Shareholders

The bylaws of the Company provide that an annual meeting of the shareholders be held at such time and place as the Board may appoint. Special meetings of the shareholders may be called at any time by the Board or by the chairman of the Board or by the president.

Board of Directors

The business of the Company is conducted by its management team and subject to review by the Board. The bylaws specify that the number of directors shall be not less than three and no more than twenty-one. Directors are elected annually, at the annual meeting of shareholders or by the written consent of the shareholders, and each director elected shall hold office until a successor is elected and qualified.

The following individuals served as directors as of December 31, 2022:

Name	Location	Principal Occupation
Rene Lerer	Palm Beach Gardens, Florida	Chief Executive Officer, LHF
Brendan T. Rager	Ponte Verde Beach, Florida	Chief Legal Officer and Administrative Officer, LHF
Leslie S. Granow	Riviera Beach, Florida	Chief Financial Officer, LHF

During the examination period, the Company’s Board functioned as its Audit Committee. A formal Audit & Finance Committee was subsequently established in June 2023. (Refer to Subsequent Events)

The Board of LHF, the Company’s ultimate parent, established several committees to act on behalf of the Company and the Longevity Health Group, including a Compliance Committee, Operations Steering Committee, IT Steering Committee, and a Quality Improvement Committee.

The following individuals served on committees as of December 31, 2022:

Compliance Committee

Jennifer L. Lacey, Chair
Heidi M. Wold
Leslie S. Granow
David F. Asher
Sriram V. Bharadwaj
James C. Fallon
David M. Webster

Operations Steering Committee

Sriram V. Bharadwaj, Chair
Jennifer L. Lacey
Heidi M. Wold
Leslie S. Granow
Xueying Zhai
Neil P. Boyle
Benjamin A. Lerer

IT Steering Committee

Rene Lerer, Chair
Leslie S. Granow
Heidi M. Wold
Brendan T. Rager
Sriram V. Bharadwaj
Jennifer L. Lacey

Quality Improvement Committee

The Quality Improvement Committee consisted of twenty-seven (27) members, representing various key areas including clinical, compliance, medical directors, operations, and information technology. Rene Lerer, the Company’s Chief Executive Officer and President, also served as a member of the committee.

Officers

The bylaws provide that the Board will elect the officers of the Company. The officers of the Company consist of a president, a secretary, a treasurer, and any other officers deemed necessary by the Board. All officers shall hold office, subject to removal at any time by the Board, until their successors are elected and qualified. Any two offices may be held by the same person.

The following individuals served as officers of the Company as of December 31, 2022:

Name	Title
Rene Lerer	Chief Executive Officer and President
Brendan T. Rager	Secretary
Leslie S. Granow	Chief Financial Officer and Treasurer

CODE OF CONDUCT AND CONFLICT OF INTEREST

The Company has an established policy and procedure to identify existing or potential conflicts of interest and to report the same to the Board. Beginning in 2022, the Company annually requires a signed statement from each director and officer disclosing any conflict of interest. A review of the signed conflict of interest statements for the examination period revealed that in 2021 the Company was not in compliance with NCAC Title 11, Chapter 11C.0117 as the Company's policy and procedures did not require annually signed statements from each director and officer until 2022. (Refer to the Summary of Significant Findings)

CORPORATE RECORDS

We reviewed the minutes of the meetings of the Board for the period under examination. Based on our review, it appears that the minutes did not fully document the Company's significant transactions and events. (Refer to the Summary of Significant Findings)

The Company's articles of incorporation and bylaws were reviewed for any changes during the period under examination. On July 21, 2020, the Company amended its articles of incorporation to modify the Company's purpose to state that it's a health maintenance organization organized under Article 67 of Chapter 58 of the General Statutes of North Carolina.

STATUTORY DEPOSITS

Statutory deposits are maintained as required by insurance regulatory agencies for doing business in such jurisdictions. The Company's 2022 Annual Statement Schedule E, Part 3 indicates that the Company maintains a statutory deposit in the state of North Carolina only.

FIDELITY BONDS

Longevity Health Group and other affiliates have fidelity bond coverage totaling \$1,000,000 in aggregate, which exceeds the minimum amount of fidelity bond coverage recommended by the Handbook.

EMPLOYEE BENEFITS AND PENSION PLANS

The Company had no employee benefits or pension plans for the period under examination.

RELATED PARTY AGREEMENTS

The Company has an equipment and personnel lease agreement effective July 2020, with LHP MSO, LLC ("MSO"), an affiliate wholly owned by LHF, whereby MSO provides the Company with certain leased equipment and employee services. Under this agreement, the Company incurred fees totaling \$4,044,486 and \$1,319,855 in 2022 and 2021, respectively. The Company also incurred expenses to affiliates for medical services totaling \$1,473,603 and \$1,827,653 in 2022 and 2021, respectively, which were paid by MSO and reimbursed by the Company. The Company reported amounts due to MSO totaling \$2,704,614 and \$266,139 as of December 31, 2022, and 2021, respectively.

The Company has an Independent Provider Association (“IPA”) agreement, effective July 1, 2022, with Longevity IPA of North Carolina, LLC (“IPA”), an affiliate owned by LHF and the Four Investors, whereby IPA provides or arranges for the provision of health care items and services to the Company’s members. The agreement provides for the establishment of an operating fund for which IPA receives 91% of the Centers for Medicare and Medicaid Services (“CMS”) member revenue via the operating fund and claims, capitation, and other payments are paid from the operating fund. Any payments made by the Company on behalf of the IPA arrangement instead of from the operating fund are reimbursed by the IPA to the Company. During 2022, the operating fund received CMS member revenue totaling \$14,736,630 and \$9,194,547 of claims paid were deducted from the operating fund. As of December 31, 2022, the Company had reimbursements receivable due from IPA totaling \$1,117,480 and claims unpaid due to the operating fund totaling \$5,542,084.

The Four Investors of LHHNC also own and operate skilled nursing facilities, some of which are contracted by the Company as a provider of health care services. As a result, payments to and activities with these skilled nursing facility health care providers are reported as related party activities. Payments to such facilities are consistent with market rates and amounts paid for similar services to non-related parties. The Company paid \$2,093,800 and \$2,015,350 in 2022 and 2021, respectively, to these skilled nursing facility health care providers.

The Company has a capital maintenance agreement, effective April 14, 2020, with LHF, whereby LHF guarantees the capital obligations of the Company for (1) the protection against insolvency as required by GS § 58-67-110; (2) to ensure the Company maintains statutory minimum levels of the initial net worth; and (3) to ensure the Company maintains a satisfactory risk-based capital level.

The Company has a capital maintenance agreement, effective August 20, 2020, with Joel Landau, an individual and secondary guarantor, whereby Joel Landau guarantees the capital obligations of the initial guarantor, LHF, to the Company for (1) the protection against insolvency as required by GS § 58-67-110; (2) to ensure the Company maintains statutory minimum levels of the initial net worth; and (3) to ensure the Company maintains a satisfactory risk-based capital level.

TERRITORY AND PLAN OF OPERATION

The Company became licensed on April 14, 2020, as an HMO restricted to writing Medicare Advantage business only in approved North Carolina counties. On January 1, 2021, the Company began offering Medicare Part C Plans with Part D prescription drug benefits under a contract with CMS. The Company provides coverage to long-term care residents of North Carolina nursing homes who qualify for participation in a Medicare Advantage I-SNP within the Company’s licensed service area. The Company contracts with skilled nursing facilities to market its product and utilizes external brokers and internal licensed agents to sell its policies.

At December 31, 2022, the Company served 957 members and was authorized to write in the following counties:

Alamance	Cumberland	Guilford	McDowell	Randolph	Wake
Anson	Davidson	Harnett	Mecklenburg	Robeson	Wayne
Brunswick	Davie	Haywood	Montgomery	Rockingham	Wilson
Buncombe	Duplin	Henderson	Moore	Rowan	Yadkin
Burke	Durham	Hoke	Nash	Rutherford	
Cabarrus	Edgecombe	Iredell	New Hanover	Surry	
Caswell	Forsythe	Johnston	Pitt	Stokes	
Catawba	Gaston	Lincoln	Polk	Union	

TRENDS OF THE COMPANY

The following data, obtained from annual statements filed with the Department, illustrates the trends of the Company for the two-year period ended December 31, 2022:

Year	Net Admitted Assets	Capital and Surplus	Gross Premiums Written	Net Earned Premiums	Net Income (Loss)
2022	\$16,096,346	\$5,267,468	\$30,443,220	\$30,389,749	\$1,497,737
2021	\$8,001,271	\$3,740,313	\$11,981,262	\$11,957,961	\$(1,545,197)
2020	\$3,503,750	\$3,502,962	\$-0-	\$-0-	\$2,962

ACTUARIAL OPINION

Every health insurance company doing business in this State, unless otherwise exempted by the Commissioner, shall annually have an Actuarial Opinion and Actuarial Memorandum made available to the Board in accordance with the Annual Statement Instructions and GS § 58-2-165(c) pursuant to GS § 58-67-55. (Refer to the Summary of Significant Findings)

The statutory reserves and related items for 2022 were reviewed and certified by the Company's Appointed Actuary, Eric Williams, FSA, MAAA, FCA of Oliver Wyman Actuarial Consulting, Inc. The Company was exempt from the actuarial opinion requirement for the year ended December 31, 2020; however, actuarial opinions regarding the Company's reserves for claims unpaid and unpaid claims adjustment expenses were issued by an appointed actuary for years 2021 and 2022. The appointed actuary evaluated the data provided by the Company for reasonableness and consistency of the claims unpaid and unpaid claims adjustment expense reserves. According to the actuarial opinions, the Company's reserve on the claims unpaid and unpaid claims adjustment expenses met the requirements of the insurance laws of North Carolina; were consistent with reserves computed in accordance with accepted actuarial standards and principles; and made a reasonable provision for all claims unpaid and unpaid claims adjustment expense obligations of the Company.

REINSURANCE PROGRAM OVERVIEW

REINSURANCE CEDED

The Company had HMO specific excess of loss reinsurance contracts with Odyssey Reinsurance Company with effective dates of January 1, 2022, and January 1, 2021, whereby the Company was reimbursed for 90% of eligible expenses in excess of \$250,000 per covered member, per agreement year. In 2022 and 2021, the Company ceded premiums totaling \$53,471 and \$23,301, respectively, under these contracts.

FINANCIAL STATEMENTS

The following financial statements are based on the statutory financial statements filed by the Company with the Department and present the financial condition of the Company for the period ending December 31, 2022. The supporting exhibits present the information required to be included, in conformity with reporting practices prescribed by the Department. The financial statements and supporting schedules as of December 31, 2021, are unexamined and are presented for comparative purposes only.

Longevity Health Plan of North Carolina, Inc.
Statutory Statement of Admitted Assets
December 31,

	2022	2021 <i>(unexamined)</i>
Bonds	\$5,991,366	\$-
Cash and short-term investments	5,419,283	7,502,044
Total cash and invested assets	11,410,649	7,502,044
Investment income due and accrued	20,683	-
Premiums and agents' balances in course of collection	1,971	212
Accrued retrospective premiums	1,829,780	-
Amounts recoverable from reinsurers	50,180	-
Amounts receivable relating to uninsured plans	1,330,810	261,856
Net deferred tax asset	46,836	-
Receivable from parent, subsidiaries, and affiliates	1,117,480	-
Health care and other amounts receivable	287,957	237,159
Total Admitted Assets	\$16,096,346	\$8,001,271

Longevity Health Plan of North Carolina, Inc.
Statutory Statement of Liabilities, Capital, and Surplus
December 31,

	2022	2021 <i>(unexamined)</i>
Claims unpaid	\$6,933,630	\$3,346,299
Accrued medical incentive pool and bonus amounts	122,868	58,167
Unpaid claims adjustment expenses	9,300	30,075
Premiums received in advance	283,471	114,110
General expenses due or accrued	1,576	12,125
Current federal income tax payable	26,367	-
Payable to parent, subsidiaries, and affiliates	2,704,614	266,139
Liability for amounts held under uninsured plans	747,052	434,043
Total liabilities	10,828,878	4,260,958
Common capital stock	10,000	10,000
Gross paid in and contributed surplus	5,330,000	5,330,000
Unassigned funds	(72,532)	(1,599,687)
Total capital and surplus	5,267,468	3,740,313
Total Liabilities, Capital, and Surplus	\$16,096,346	\$8,001,271

Longevity Health Plan of North Carolina, Inc.
Statutory Statement of Revenue and Expenses
December 31,

	2022	2021 <i>(unexamined)</i>
Underwriting Income		
Net premium income	\$30,389,749	\$11,957,961
Hospital and Medical		
Hospital/medical benefits	20,659,309	9,194,185
Other professional services	2,028,983	1,282,808
Emergency room and out-of-area	282,998	116,058
Prescription drugs	1,528,166	479,675
Aggregate write-ins for other hospital and medical	141,215	275,866
Incentive pool, withhold adjustments and bonus amounts	206,861	58,167
Subtotal	24,847,532	11,406,759
Less		
Net reinsurance recoveries	50,180	-
Total hospital and medical	24,797,352	11,406,759
Claims adjustment expenses	1,439,655	605,996
General administrative expenses	2,744,733	1,491,208
Total underwriting deductions	28,981,740	13,503,963
Net underwriting gain (loss)	1,408,009	(1,546,002)
Net investment income earned	116,095	17
Net investment gain(loss)	116,095	17
Federal income taxes incurred	26,367	(788)
Net Income (Loss)	\$1,497,737	\$(1,545,197)

Longevity Health Plan of North Carolina, Inc.
Statutory Statement of Capital and Surplus
December 31,

	2022	2021 <i>(unexamined)</i>
Capital and Surplus, beginning of year	\$3,740,313	\$3,502,962
Net income (loss)	1,497,737	(1,545,197)
Change in net deferred income tax	46,836	-
Change in non-admitted assets	(17,418)	(57,452)
Surplus adjustments to paid-in capital	-	1,840,000
Net change in capital and surplus	1,527,155	237,351
Capital and Surplus, end of year	\$5,267,468	\$3,740,313

Longevity Health Plan of North Carolina, Inc.
Statutory Statement of Cash Flow
December 31,

	2022	2021 <i>(unexamined)</i>
Cash From (Used By) Operations		
Premiums collected net of reinsurance	\$28,709,391	\$12,244,046
Net investment income	84,449	17
Total	28,793,840	12,244,063
Benefit and loss related payments	21,263,716	8,296,904
Commissions, expenses paid and aggregate write-ins	6,068,540	1,788,865
Total	27,332,256	10,085,769
Net cash from (used by) operations	1,461,584	2,158,294
Cash From (Used By) Investments		
Cost of investments acquired	(5,982,820)	-
Net cash (used by) investments	(5,982,820)	-
Cash From (Used By) Financing and Miscellaneous Sources		
Cash from capital and paid-in surplus	-	1,840,000
Other cash (applied) provided	2,438,475	-
Net cash from (used by) financing and miscellaneous sources	2,438,475	1,840,000
Reconciliation of Cash and Short-Term Investment		
Net change in cash and short-term investments	(2,082,761)	3,998,294
Cash and short-term investments, beginning of year	7,502,044	3,503,750
Cash and short-term investments, end of year	\$5,419,283	\$7,502,044

COMMENTS ON FINANCIAL STATEMENTS

There were no changes to the Company's financial statements and there were no proposed adjustments to surplus as a result of this examination.

Basis of Presentation and Summary of Significant Accounting Policies:

The accompanying financial statements have been prepared on the basis of the accounting practices prescribed or permitted by the Department.

The more significant accounting policies followed by the Company are as follows:

Bonds: Carried at amortized cost using the scientific method. Bonds with lower credit ratings are carried at the lower of amortized cost or NAIC market value. Bonds not backed by other loans are stated at amortized cost using the scientific method.

Cash and short-term investments: Carried at amortized cost (which approximates fair value) and includes money market instruments and debt securities with maturities of less than one year.

Premiums: Insurance premiums, net of premiums ceded to reinsurers, are earned over the period to which healthcare coverage relates.

Reinsurance: Premiums ceded to reinsurers are reported as a reduction of premium revenue. Reinsurance recoveries are recorded as a reduction of medical benefits under health policies.

Non-admitted assets: Certain assets, such as premiums over 90 days past due, excess of book value over market value for securities, and prepaid expenses, are "non-admitted" and are charges against surplus.

Claims unpaid & unpaid claims adjustment expense: Includes amounts determined from individual case estimates and claims reports and amounts, based on experience, for claims incurred but not reported. Estimated amounts of salvage and subrogation and reinsurance recoverable are deducted from the reserve for claims unpaid and unpaid claims adjustment expenses.

Analysis of Assets:

The following represents an analysis of the Company's net admitted assets as of December 31, 2022:

	Assets	Assets Not Admitted	Net Admitted Assets
Bonds	\$5,991,366	\$-	\$5,991,366
Cash and short-term investments	5,419,283	-	5,419,283
Total cash and invested assets	11,410,649	-	11,410,649
Investment income due and accrued	20,683	-	20,683
Premiums and agents' balances in course of collection	1,971	-	1,971
Accrued retrospective premiums	1,829,780	-	1,829,780
Amounts recoverable from reinsurers	50,180	-	50,180
Amounts receivable relating to uninsured plans	1,330,810	-	1,330,810
Net deferred tax assets	46,836	-	46,836
Receivable from parent, subsidiaries and affiliates	1,117,480	-	1,117,480
Health care and other amounts receivable	362,827	74,780	287,957
Total admitted assets	\$16,171,216	\$74,870	\$16,096,346

Reinsurance Activity:

The Company has HMO specific excess of loss contracts to minimize its exposure to losses. Reinsurance contracts do not relieve the Company of its primary obligation to policyholders. Failure of the reinsurers to discharge their obligations could result in losses to the Company. The Company utilizes Beecher Evergreen Managed Care as a reinsurance intermediary to negotiate and obtain reinsurance contracts on its behalf for specifically identified risks.

Direct and ceded premiums written and earned are as follows:

	2022	2021
Direct written	\$30,443,220	\$11,981,262
Ceded written	53,471	23,301
Net written	\$30,389,749	\$11,957,961
Net earned	\$30,389,749	\$11,957,961

The reinsurer shares in the risks as specified in the reinsurance contract. The type of contract and retention limits are described under the Reinsurance Program Overview.

Summary of Reserves:

The following provides a reconciliation of the Company's reserves for claims unpaid and unpaid claims adjustment expenses:

	2022	2021
Reserve for claims unpaid and unpaid claims adjustment expenses, beginning of year	\$3,376,374	\$-
Add:		
Provision for claims unpaid and unpaid claims adjustment expenses, current year	25,890,959	11,954,589
Change in estimated claims unpaid and unpaid claims adjustment expenses, prior years	139,186	-
Total incurred	26,030,145	11,954,589
Deduct:		
Claims unpaid and unpaid claims adjustment expenses paid, current year	19,424,383	8,578,215
Claims unpaid and unpaid claims adjustment expenses paid, prior year	3,039,206	-
Total paid	22,463,589	8,578,215
Reserve for claims unpaid and unpaid claims adjustment expenses, end of year	\$6,942,930	\$3,376,374
Increase in reserve for claims unpaid and unpaid claims adjustment expenses	\$3,566,556	\$3,376,374

Capital and Surplus:

The following, in conjunction with the Statutory Statement of Capital and Surplus, represents the changes in the Company's capital and surplus since the Company's inception:

	2022	2021	2020
Capital and surplus, beginning of year	\$3,740,313	\$3,502,962	\$-0-
Capital and surplus increases (decreases):			
Net income (loss)	1,497,737	(1,545,197)	2,962
Change in net deferred income tax	46,836	-	-
Change in non-admitted assets	(17,418)	(57,452)	-
Surplus adjustments to paid-in capital	-	1,840,000	3,500,000
Change in capital and surplus for the year	1,527,155	237,351	3,502,962
Capital and surplus, end of year	\$5,267,468	\$3,740,313	\$3,502,962

Medicare Part D Subsidies:

The Medicare Part D program is a partially insured plan. The Company recorded a liability for amounts held under uninsured plans totaling \$747,052 and \$434,043 as of December 31, 2022, and 2021, respectively, for the Medicare Part D coverage gap discount and for cost reimbursement under the Medicare Part D program for the catastrophic reinsurance. The Company recorded amounts receivable relating to uninsured plans totaling \$1,330,810 and \$261,856 as of December 31, 2022, and 2021, respectively, for the Medicare Part D low-income member cost sharing subsidies and coverage gap discount.

SUBSEQUENT EVENTS

On March 7, 2023, the Company was approved to expand its authorized service areas to include Carteret, Franklin, Hertford, and Scotland counties for the 2024 plan year.

In June 2023, the Board of LHF, the Company's ultimate parent, established an Audit & Finance Committee to act on behalf of the Company and the Longevity Health Group, which included the following members: Guy Sansone, Hondo Sen, and Mike Dixon.

In August 2023, 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.

Longevity Health Plan of North Carolina, Inc.
DISTRIBUTION OF REPORT ON EXAMINATION
December 31, 2022

Leslie Granow, Chief Financial Officer, Treasurer, Director
11780 US Highway One, Suite N107
Palm Beach Gardens, Florida 33408

Jennifer Lacey, Chief Compliance and Regulatory Officer
11780 US Highway One, Suite N107
Palm Beach Gardens, Florida 33408

Vicky Zhai, Corporate Controller
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Palm Beach Gardens, Florida 33408

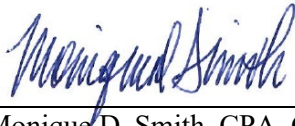
CONCLUSION

The examination procedures, described, herein, revealed no material adverse findings or adjustments to surplus.

We conclude that the Company complies with the minimum capital and surplus requirements of GS § 58-67-110(b) for the kinds of insurance that the Company has been authorized to write, which is \$1,000,000 or the amount required pursuant to the risk-based capital provisions of Article 12 of Chapter 58.

The courteous cooperation and assistance extended by the officers and employees of the Company during the examination is hereby acknowledged.

Respectfully submitted,



Monique D. Smith, CPA, CFE, CIA
Deputy Commissioner
North Carolina Department of Insurance

February 13, 2024

STATE OF NORTH CAROLINA

COUNTY OF WAKE

Keith Greene, Supervising Examiner, North Carolina Department of Insurance, being first, duly sworn, deposes and says that this report on examination, subscribed by him, is true and correct to the best of his knowledge and belief.

Signature: Keith Greene Date: 2/13/2024

Sworn and subscribed before me this 13th day of February, 2024.

Notary Public Signature: [Signature] Notary Public Seal:

