

FILED

JUN 22 2023

**Department of Insurance
State of Idaho**

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE

STATE OF IDAHO

In the Matter of:

BLUE CROSS OF IDAHO CARE PLUS, INC.

Certificate of Authority No. 4191

Docket No. 18-4293-23

**AMENDED ORDER ADOPTING
REPORT OF EXAMINATION AS
OF DECEMBER 31, 2021**

The Idaho Department of Insurance (“Department”), in accordance with Idaho Code §§ 41-3911 and 41-219(1), has examined the affairs, transactions, accounts, records, and assets of Blue Cross of Idaho Care Plus, Inc. (“Idaho Care Plus”), for the period of January 1, 2017, through December 31, 2021. The Department’s verified Report of Examination (“Report”), reflecting the examiner’s findings, was then filed with the Department per Idaho Code § 41-227(4).

This amendment provides the identification of the current elected Chair serving the company directors as reflected on page 7 of the Report, and the corrected ratio calculations for the percentage of Total Claims & Claims Adjustment under the category of “Loss Experience” reflected on page 10 of the Report.

Having reviewed the Report and record, the Department’s Director (“Director”) enters this amended order adopting the Report as filed. A copy of the Report is attached to this Order as Exhibit “A”.

FINDINGS OF FACT

1. Idaho Care Plus is an Idaho-domiciled company authorized to transact disability insurance, including managed care, in Idaho under Certificate of Authority No. 4191.

2. On or about April 20, 2023, the Department completed an examination of Idaho Care Plus per Idaho Code § 41-219(1). The Department's examination disclosed no adverse material findings or any adjustments that impacted Idaho Care Plus's reported capital and surplus.

3. Per Idaho Code § 41-227(4), the Department transmitted a copy of the Report to Idaho Care Plus on June 20, 2023.

4. Under Idaho Code § 41-227(4), Idaho Care Plus had (30) days from receipt of the Report to make written recommendations for corrections or changes to the Report. On June 21, 2023, the Department received a "Waiver" from Idaho Care Plus signed by Brent J. DeRosia, VP, Controller and Chief Accounting Officer and authorized signatory. A copy of the Waiver is attached hereto as Exhibit "B". By executing the Waiver, Idaho Care Plus has consented to the Director's immediate entry of a final order adopting the Report without modification. Idaho Care Plus has also waived its rights to: (1) examine the Report for not more than (30) days; (2) make a written submission or rebuttal to the Report prior to the entry of a final order; (3) request a hearing, and (4) seek reconsideration or appeal from the Director's final order.

CONCLUSIONS OF LAW

5. Idaho Code § 41-227(5)(a) requires the Director to fully consider and review the Report, together with any written submissions or rebuttals and any relevant portions of the examiner's work papers and enter an order adopting the Report as filed or with modifications or corrections, rejecting the Report and reopening the examination, or calling for an investigatory hearing.

6. Having fully considered the Report and record, the Director concludes that, regarding the matters examined, the Report is appropriate and should be adopted and incorporated into this Order as if set forth in full.

ORDER

NOW, THEREFORE, IT IS ORDERED that the Report is adopted as filed.

IT IS FURTHER ORDERED, per Idaho Code § 41-227(8), that the adopted Report is a public record and shall not be subject to the exemptions from disclosure provided in chapter 1, title 74, Idaho Code.

IT IS FURTHER ORDERED, per Idaho Code § 41-227(6)(a), that within 30 days of the service date of this Order adopting the Report, Idaho Care Plus must file with the Department's chief examiner, affidavits executed by each of its directors, stating under oath that they have received a copy of the adopted Report and related orders.

DATED AND EFFECTIVE this 22nd day of June, 2023.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

A handwritten signature in black ink, appearing to read "Dean L. Cameron", written over a horizontal line.

DEAN L. CAMERON
Director

NOTIFICATION OF RIGHTS

This is a final order of the agency. Any party may file a motion for reconsideration of this final order within 14 days of the service date of this order. The agency will dispose of the motion for reconsideration within 21 days of its receipt, or the motion will be considered denied by operation of law. *See Idaho Code § 67-5246(4).*

Any such motion for reconsideration shall be served on the Director of the Idaho Department of Insurance, addressed as follows:

Dean L. Cameron, Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order or orders previously issued in this case may file a petition for judicial review in the district court of the county in which:

- i. A hearing was held;
- ii. The final agency action was taken;
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho; or
- iv. The real property or personal property that was the subject of the agency action is located.

A petition for judicial review must be filed within 28 days of: (a) the service date of this final order, (b) the service of an order denying motion for reconsideration, or (c) the failure within 21 days to grant or deny a motion for reconsideration, whichever is later. *See Idaho Code § 67-5273.* The filing of a petition for judicial review does not itself stay the effectiveness or enforcement of the order under appeal. Idaho Code § 67-5274.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 23rd day of June, 2023, I caused a true and correct copy of the foregoing ORDER ADOPTING REPORT OF EXAMINATION AS OF DECEMBER 31, 2021, to be served upon the following by the designated means:

BLUE CROSS OF IDAHO CARE PLUS, INC. Attn: Paul G. Zurlo Board of Directors 3000 E. Pine Avenue Meridian, ID 83642	<input type="checkbox"/> First Class Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: rochelle.hersley@bcidaho.com
Eric Fletcher, CFE Chief Examiner Idaho Department of Insurance 700 W. State St., 3 rd Floor PO Box 83720 Boise, ID 83720-0043	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: eric.fletcher@doi.idaho.gov
John C. Keenan Deputy Attorney General Idaho Department of Insurance 700 W. State St., 3 rd Floor PO Box 83720 Boise, ID 83720-0043	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: john.keenan@doi.idaho.gov


Penny Wilcox

DEPARTMENT OF INSURANCE

STATE OF IDAHO



REPORT OF EXAMINATION

Of

BLUE CROSS OF IDAHO CARE PLUS, INC.
(managed care organization)
(NAIC Group Code: 1290)
(NAIC Company Code: 15022)

As of
December 31, 2021

EXHIBIT

A

exhibitstick.com

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Meridian, Idaho
June 20, 2023

The Honorable Dean L. Cameron
Director of Insurance
State of Idaho
700 West State Street
P.O. Box 83720
Boise, Idaho 83720-0043

Dear Director:

Pursuant to your instructions, in compliance with Section 41-219(1), Idaho Code, 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, 2021, of the financial condition and corporate affairs of:

Blue Cross of Idaho Care Plus, Inc.
3000 E Pine Avenue
Meridian, ID 83642

Hereinafter referred to as (the "Company"), at its offices in Meridian, Idaho. The following report of examination is respectfully submitted.

SCOPE OF EXAMINATION

Period Covered

We have performed our single state examination of the Company. The last examination was completed as of December 31, 2016. This examination covers the period of January 1, 2017, through December 31, 2021.

Examination Procedures Employed

We have conducted our examination in accordance with the NAIC *Financial Condition Examiners Handbook* to determine compliance with accounting practices and procedures in conformity with the applicable laws of the State of Idaho, and insurance rules promulgated by the Idaho Department of Insurance (the "Department"). 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 in identifying and evaluating significant risks that could cause the 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 evaluating management's compliance with Statutory Accounting Principles. The examination does not attest to the fair presentation of the financial statements included herein. If during the course of the examination an adjustment was identified, the impact of such adjustment will be documented separately following the Company's financial statements.

This examination report includes 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, are not included within the examination report but separately communicated to the Company.

The examination determined the risks associated with identified key functional areas of the Company's operation and considered mitigating factors. Interviews were held with the senior management of the Company to gain an understanding of the entity's operating profile and control environment.

The Company retained the services of a certified public accounting firm, Eide Bailly, LLP, to audit its financial records for the years under examination. The firm allowed the examiners access to requested work papers prepared in connection with its audits. The external work was relied upon where deemed appropriate.

The examination relied on the findings of the actuarial firm contracted by the Department to verify reserves.

A letter of representation certifying that management disclosed all significant matters and records was obtained from management and included in the examination working papers.

Status of Prior Examination Findings

There were no exceptions commented upon in our preceding Report of Examination, dated September 11, 2018, which covered the period from February 21, 2013 to December 31, 2016.

The Prior Report of Examination as of December 31, 2016, was distributed to the Board on December 14, 2018, in accordance with Idaho Code § 41-227 (6)(a).

SUMMARY OF SIGNIFICANT FINDINGS

Our examination did not disclose any material adverse findings or any adjustments that impacted the Company's reported capital and surplus.

SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization declared the spreading Novel Coronavirus Diseases, COVID-19, a pandemic. On March 13, 2020, the United States declared the COVID-19 pandemic as a national emergency. COVID-19 has created economic disruptions on a global scale which has led to uncertainty about the overall economic impact to financial markets. At this time, the full effect of COVID-19 on the Company is unknown. In a coordinated effort, the Company and the Department will continue to monitor the effects of the pandemic to the Company.

COMPANY HISTORY

General

On February 19, 2013, Blue Cross of Idaho Care Plus, Inc., a taxable, not-for-profit Idaho Corporation, was formed as a managed care organization pursuant to Title 41, Chapter 39 of the Idaho Code. The Company's formation was sponsored by Blue Cross of Idaho Health Service, Inc. (BCI), an affiliate, to promote public welfare by providing managed care programs that lowered the costs and improved the outcomes of government health programs such as Medicare and Medicaid. On October 1, 2014, BCI transferred their Medicare Advantage plans with the federal Centers for Medicare and Medicaid Service, including a dual eligible special needs plan as well as their Medicare-Medicaid Coordinated Plans to the Company.

Dividends and Capital Contributions

There were no dividends paid during the examination period.

In February 2013, BCI made a capital contribution to the Company of \$1 million, to meet the state of Idaho's statutory capital requirements.

In 2001, BCI created the Blue Cross of Idaho Foundation for Health, Inc. (the "Foundation"), to promote health improvement initiatives to Idaho residents. The Company made the following charitable contributions to the Foundation during the examination period:

<u>Year</u>	<u>Charitable Contribution</u>
2017	\$ -
2018	2,974,541
2019	500,000
2020	-
2021	-
	<u>\$ 3,474,541</u>

Mergers and Acquisitions

There were no mergers and acquisitions during the examination period.

Surplus Debentures

As of December 31, 2021, surplus notes with a par value of \$50,000,000 were issued to BCI as follows:

<u>Issue Date</u>	<u>Par Value</u>	<u>Carrying Value</u>
2/20/2013	\$ 1,500,000	\$ 1,500,000
3/18/2014	500,000	500,000
12/31/2014	14,000,000	14,000,000
3/6/2015	10,000,000	10,000,000
3/31/2015	4,000,000	4,000,000
5/29/2015	20,000,000	20,000,000
	<u>\$50,000,000</u>	<u>\$ 50,000,000</u>

CORPORATE RECORDS

There were regular and special meetings of the Board of Directors (the "Board") conducted at least three times each year under examination. The meetings were held in person and virtually. Annually, Directors were elected to one-year terms. The meeting minutes including the accompanying Board packets contained detailed information regarding the financial condition, corporate governance, and operational affairs of the Company.

MANAGEMENT AND CORPORATE GOVERNANCE

The Company's bylaws indicated the number of Directors on the Board must be at least five elected directors and the Company may have up to nine directors. The following persons served as directors of the Company as of December 31, 2021:

<u>Name</u>	<u>Principal Occupation</u>
Charlene A. Maher, Chair	President, Blue Cross of Idaho Care Plus, Inc. & President and Chief Executive Office, Blue Cross of Idaho Health Service, Inc. Meridian, Idaho
Paul G. Zurlo, Vice Chair*	Executive Vice President Health Insurance Markets, Blue Cross of Idaho Health Service, Inc. Meridian, Idaho
Candi D. Allphin	Retired Senior Vice President, US Bank Aguanga, California
Cherie Buckner-Webb	Small Business Owner & Idaho State Senator Boise, Idaho
Drew E. Hobby	Executive Vice President & Chief Innovation Officer, Blue Cross of Idaho Health Service, Inc. Meridian, Idaho
Valerie A. Reardon	Chief Operating and Continuity Officer, Blue Cross of Idaho Health Service, Inc. Meridian, Idaho
Alicia Ritter	President and CEO, Ritter Consulting Tillamook, Oregon

**On April 21, 2023, Mr. Paul G. Zurlo was elected as Chair.*

Committees

The Company's bylaws authorize the Board to create one or more regular or special Board Committees. Each Committee must include at least two directors. As of December 31, 2021, the Company's Board established, appointed, or authorized the following committees:

Audit Committee

Assists the Board in fulfilling its oversight responsibilities for (a) integrity of the financial statements, (b) performance, qualifications, and independence of the Independent Auditor, (c) performance of internal audit function and (d) compliance with legal and regulatory requirements and ethical business standards. Committee members as of December 31, 2021, were as follows:

Candi D. Allphin, Chair
Cherie Buckner-Webb
Alicia Ritter

Independent Director Committee

The purpose of the committee is to review and approve, reject or modify all proposed transactions between the Company and any persons who control, are controlled by, or under common control with the Company as well as to address other matters delegated by the Company's Board. Committee members as of December 31, 2021, were as follows:

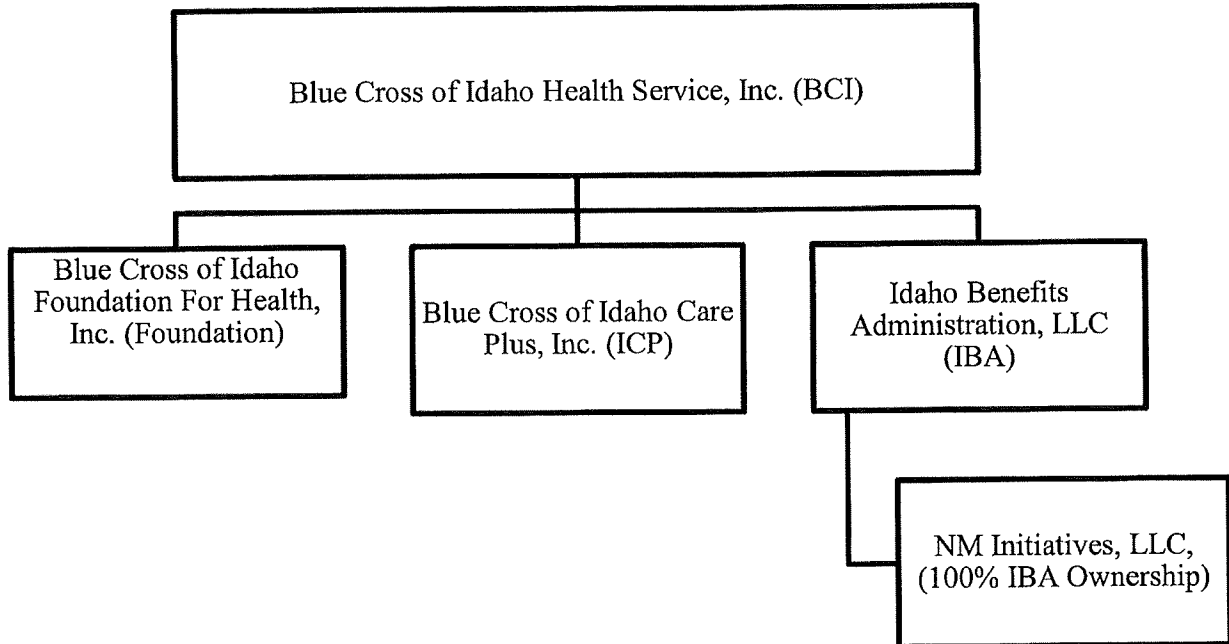
Alicia Ritter, Chair
Candi D. Allphin
Cherie Buckner-Webb

The Company's bylaws provide for principal officers to consist of the President, Secretary and Treasurer. Other offices may be established by the Board or CEO and ratified by the Board. A single person may hold multiple offices, but the offices of Secretary and President must be held by different persons. The following person served as officers of the Company as of December 31, 2021:

<u>Name</u>	<u>Position</u>
Charlene A. Maher	President
Mark T. Kohler	Secretary
David M. Ward	Treasurer

Insurance Holding Company System

The Company is a member of an insurance holding company system. BCI is the ultimate controlling person, as depicted in the following organization chart as of December 31, 2021:



Agreements with Affiliates

The Company had the following agreements in effect with affiliates, as of December 31, 2021:

Amended and Restated Services Agreement

Effective January 1, 2015, this agreement was between the Company and BCI. Pursuant to this agreement, BCI provided the Company with certain management and administrative services including but not limited to financial services, electronic data processing, maintenance of ledgers, and processing account payables.

Financial Guarantee Agreement

Effective October 1, 2014, this agreement was between the Company and BCI. Pursuant to this agreement BCI guaranteed all the Company's contractual and financial obligations to its customers. The guarantee is required for the Company to use the Blue Cross name, trademarks, and branding.

FIDELITY BONDS AND OTHER INSURANCE

The minimum fidelity coverage suggested by the NAIC for an insurer of the Company's size and premium volume is not less than \$2,000,000. As of December 31, 2021, the Company had sufficient fidelity bond coverage subject to a single loss limit of \$2,000,000 and an aggregate limitation of \$4,000,000.

PENSION, STOCK OWNERSHIP AND INSURANCE PLANS

The Company does not have any employees; all its operations are performed by employees of BCI, an affiliate, via an administrative services agreement.

TERRITORY AND PLAN OF OPERATION

In 2013, the Company was formed in the State of Idaho as a taxable non-profit corporation. The Company is authorized to write disability (including managed care) and primarily engages in Medicare Advantage, Medicare supplement and Medicaid contracting. The Company marketed its insurance products through commissioned producers and agencies.

GROWTH OF THE COMPANY

The following represents the Company's premium activity and its relationship to surplus over the period of our examination:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Gross Written Premium	\$ 311,716,582	\$ 351,353,511	\$ 505,773,761	\$ 694,649,536	\$ 884,470,483
Capital & Surplus	\$ 77,973,253	\$ 76,671,940	\$ 73,268,261	\$ 92,173,451	\$ 131,958,266
Gross Written Premium to Capital & Surplus Ratio	400%	458%	690%	754%	670%

Gross written premiums increased each year under examination. For each year under examination, a positive net income was reported with the exception of 2019.

LOSS EXPERIENCE

The following represents the Company's loss experience and its relationship to net premium income over the period of our examination:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Net Premiums Earned	\$ 305,717,969	\$ 349,523,610	\$ 534,136,353	\$ 718,198,316	\$ 857,399,444
Claims Incurred	\$ 245,056,297	\$ 298,214,377	\$ 473,918,787	\$ 587,987,521	\$ 723,349,911
Claims Adjustment Expenses Incurred	\$ 11,313,226	\$ 16,383,242	\$ 26,047,213	\$ 31,939,137	\$ 37,195,511
Total Claims and Claims Adjustment Expenses Incurred	\$ 256,369,523	\$ 314,597,619	\$ 499,966,000	\$ 619,926,658	\$ 760,545,422
Total Claims and Claims Adjustment Expenses Incurred to Net Premiums Earned	84%	90%	94%	86%	89%

REINSURANCE

Assumed

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

Ceded

The Company had the following ceded reinsurance contract in effect as of December 31, 2021:

Type of Contract	Reinsurer	Business Covered	Company's Retention	Coverage
Medicare Advantage Excess of Loss	Swiss Re Life & Health America, Inc.	Medicare Advantage, Dual Eligible and Medicaid Plus.	<p><u>Medicare Advantage</u> - \$750,000 for any one member, per term contract. One specific member, \$1,150,000, per member, per term of contract.</p> <p><u>Dual Eligible Medicaid Plus</u> - \$500,000 for any one member, per term of contract. Two members with charges related to Hereditary Angioedema are excluded.</p>	<p><u>Medicare Advantage</u> - 100% of ultimate net loss in excess of the \$750,000 retention limit, for any one member, no limitation.</p> <p><u>Dual Eligible Medicaid Plus</u> - 100% ultimate net loss in excess of the \$500,000 retention limit, for any one member no limitation.</p> <p><u>Extra Contractual Obligation</u> - covers amounts in excess of retention limits described above, not to exceed \$5 million for any one contract year</p>

ACCOUNTS AND RECORDS

General Accounting

BCI, an affiliate, provides various administrative services including but not limited to electronic data processing including the maintenance of general ledgers, processing payroll, production of financial reports, claims administration including adjudication, and claims payment and capitation payment support services pursuant to an administrative services agreement in place. BCI utilizes commercially available software for policy administration and claims processing, financial reporting, and general ledger accounting.

STATUTORY DEPOSITS

Pursuant to Section 41-313, Idaho Code, the Company was required to maintain a deposit in an amount equal to \$1,000,000. The company's minimum capital requirement was \$2,000,000 at December 31, 2021. The examination confirmed the Company maintained a statutory deposit with the State of Idaho consisting of US Treasury Notes with a par value of 1,001,000, which was adequate to cover the required deposit.

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, 2021. The accompanying comments on financial statements reflect any material examination adjustments to the amounts reported in the annual statement and should be considered an integral part of the financial statements.

Statement of Assets

	<u>Assets</u>	<u>Nonadmitted Assets</u>	<u>Net Admitted Assets</u>
Bonds	\$ 136,176,361		\$ 136,176,361
Stocks			
Preferred stocks	1,608,461		1,608,461
Common stocks	32,116,072		32,116,072
Cash, cash equivalents and short-term investments	50,855,848		50,855,848
Receivables for securities	24,282,963		24,282,963
Investment income due and accrued	367,269		367,269
Premiums and considerations			
Uncollected premiums and agent's balances in the course of collection	1,276,208	\$ 314,902	961,306
Accrued retrospective premiums and contracts subject to redetermination	56,736,915		56,736,915
Reinsurance			
Amounts recoverable from reinsurers	73,906	73,906	0
Amounts receivable related to uninsured plans	27,756,661		27,756,661
Net deferred tax asset	4,368,719		4,368,719
Receivables from parent, subsidiaries and affiliates	2,712,045		2,712,045
Health care and other amounts receivable	24,573,841	9,939,433	14,634,408
	<u>\$ 362,905,269</u>	<u>\$ 10,328,241</u>	<u>\$ 352,577,028</u>

Statement of Liabilities

Claims unpaid	\$ 83,147,867
Accrued medical incentive pool and bonus amounts	7,709,251
Unpaid claims adjustment expenses	1,225,000
Aggregate health policy reserves	43,434,370
Premiums received in advance	2,423,868
General expenses due or accrued	4,700,753
Current federal and foreign income tax payable and interest thereon	25,001,415
Payable for securities	52,976,237
	<u>\$ 220,618,761</u>

Statement of Revenue and Expenses

Net premium income	\$ 883,372,696
Change in unearned premium reserves and reserve for rate credits	(25,973,252)
Aggregate write-ins for other non-health revenues	92,978
Total revenues	<u>\$ 857,492,422</u>
Hospital and Medical	
Hospital/medical benefits	\$ 566,650,019
Other professional services	74,624,328
Outside referrals	31,545,656
Emergency room and out-of-area	14,107,574
Prescription drugs	32,293,252
Incentive pool, withhold adjustments and bonus amounts	4,129,082
Total Hospital and Medical Benefits	<u>\$ 723,349,911</u>
Less	
Net reinsurance recoveries	\$ 117,898
Total hospital and medical	723,232,013
Claims adjustment expenses	37,195,511
General administrative expenses	69,202,792
Increase in reserves for life and accident and health contracts	(9,400,000)
Total underwriting deductions	<u>\$ 820,230,315</u>
Net underwriting gain or (loss)	<u>\$ 37,262,107</u>
Net investment income earned	\$ 1,823,577
Net realized capital gains (losses) less capital gains tax	3,691,206
Net investment gains (losses)	<u>\$ 5,514,784</u>
Net income of (loss) after capital gains tax and before all other federal income taxes	\$ 42,776,890
Federal and foreign income taxes incurred	2,163,246
Net Income (Loss)	<u><u>\$ 40,613,644</u></u>

Statement of Capital and Surplus

Capital and surplus prior reporting year	<u>\$ 92,173,451</u>
Net income	\$ 40,613,644
Change in net unrealized capital gains (losses)	(994,366)
Change in net deferred income tax	(2,028,312)
Change in nonadmitted assets	<u>2,193,850</u>
Net change in capital and surplus	<u>\$ 39,784,816</u>
Capital and surplus end of reporting year	<u><u>\$ 131,958,267</u></u>

Reconciliation of Capital and Surplus

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Capital and surplus prior reporting year	\$ 59,647,518	\$ 77,973,253	\$ 76,671,940	\$ 73,268,261	\$ 92,173,451
Net income	\$ 17,467,329	\$ 993,918	\$ (2,812,405)	\$ 16,692,321	\$ 40,613,644
Change in net unrealized capital gains (losses) less capital gain tax	(98,407)	(1,332,815)	2,316,596	1,503,682	(994,366)
Change in net deferred income tax	(2,029,991)	582,019	(414,312)	4,378,933	(2,028,312)
Change in non-admitted assets	2,986,804	(1,544,435)	(2,493,559)	(3,669,746)	2,193,850
Rounding	-	-	1	-	-
Net change in capital and surplus	\$ 18,325,735	\$ (1,301,313)	\$ (3,403,679)	\$ 18,905,190	\$ 39,784,816
Capital and surplus end of reporting year	\$ 77,973,253	\$ 76,671,940	\$ 73,268,261	\$ 92,173,451	\$ 131,958,267

Analysis of Changes in Financial Statements Resulting from Examination

There were no material adjustments to surplus resulting from the examination.

Comments on Financial Statement Items

There were no adverse findings or material changes to the financial statements resulting from the examination.

SUMMARY OF RECOMMENDATIONS

There were no material findings or recommendations rising to the level deemed necessary for inclusion into this report of examination.

ACKNOWLEDGEMENT

Michael A. Mayberry, FSA, MAAA, Senior Vice President & Principal of Lewis & Ellis, Inc. performed the actuarial phases of the examination. Joanna Latham, CPA, CFE, AES, CISA, CRISC, of Jennan Enterprise LLC, performed the information systems review. They join the undersigned in acknowledging the assistance and cooperation extended during the course of the examination by officers, employees, and representatives of the Company.

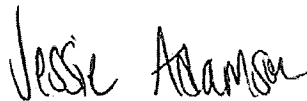
Respectfully submitted,



Toni L. Bean, CFE, CIA, CRMA

Examiner-in-Charge

Representing the Idaho Department of Insurance



Jessie L. Adamson, CFE, CISA

Deputy Chief Examiner

Idaho Department of Insurance

AFFIDAVIT OF EXAMINER

Alabama
Shelby

Toni L. Bean, being duly sworn, deposes and says that they are a duly appointed Examiner for the Department of Insurance of the State of Idaho, that they have made an examination of the affairs and financial condition of Blue Cross of Idaho Health Service, Inc. for the period January 1, 2017 through December 31, 2021, that the information contained in the report consisting of the foregoing pages is true and correct to the best of their knowledge and belief; and that any conclusions and recommendations contained in this report are based on the facts disclosed in the information.

Toni Bean

Toni. L. Bean, CFE, CIA, CRMA
INS Regulatory Insurance Services
On behalf of Idaho Department of Insurance

Subscribe and sworn to before me the 20th day of June, 2023, at Bow (City),
Idaho (State).

Penny V. Wiley
Notary Public

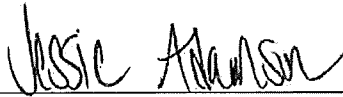


My Commission Expires: 07/02/2027

AFFIDAVIT OF EXAMINER

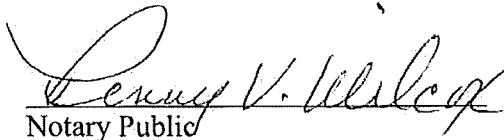
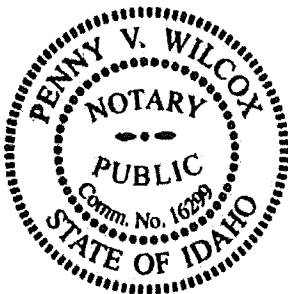
Idaho
Ada

Jessie L. Adamson, being duly sworn, deposes and says that they are a duly appointed Examiner for the Department of Insurance of the State of Idaho, that they have made an examination of the affairs and financial condition of Blue Cross of Idaho Health Insurance Service, Inc. for the period January 1, 2017 through December 31, 2021, that the information contained in the report consisting of the foregoing pages is true and correct to the best of their knowledge and belief; and that any conclusions and recommendations contained in this report are based on the facts disclosed in the information.



Jessie L. Adamson, CFE, CISA
Deputy Chief Examiner
Idaho Department of Insurance

Subscribe and sworn to before me the 20th day of June, 2023, at Boise (City),
Idaho (State).


Notary Public

My Commission Expires: 07/02/2027

BRAD LITTLE
Governor

State of Idaho
DEPARTMENT OF INSURANCE

700 West State Street, 3rd Floor
P.O. Box 83720
Boise, Idaho 83720-0043
Phone (208)334-4250
FAX # (208)334-4398

DEAN L. CAMERON
Director

WAIVER

In the matter of the Report of Examination as of December 31, 2021, of the:

Blue Cross of Idaho Care Plus, Inc.

By executing this Waiver, the Company hereby acknowledges receipt of the above-described examination report, verified as of June 20th, 2023, and by this Waiver hereby consents to the immediate entry of a final order by the Director of the Department of Insurance adopting said report without any modifications.

By executing this Waiver, the Company also hereby waives:

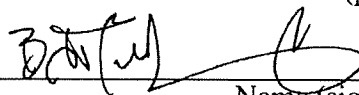
1. its right to examine the report for not more than thirty (30) days as provided in Idaho Code section 41-227(4),
2. its right, after the date of this waiver, to make a written submission or rebuttal to the report prior to entry of a final order as provided in Idaho Code section 41-227(4) and (5),
3. any right to request a hearing under Idaho Code sections 41-227(5) and (6), 41-232(2)(b), or elsewhere in the Idaho Code, and
4. any right to seek reconsideration and appeal from the Director's order adopting the report as provided by section 41-227(6), Idaho Code, or elsewhere in the Idaho Code.

Dated this 20 day of JUNE, 2023

Blue Cross of Idaho Care Plus, Inc.

Brent J DeRosia

Name (print)



Name (signature)

VP, Controller and Chief Accounting Officer

Title

EXHIBIT

B

exhibitster.com