FILED

AUG 13 2025

INSURANCE REGULATION
Docketed by:

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2025-126

IN THE MATTER OF:

CASE NO.: 401764-25-CO

CAPITAL HEALTH PLAN, INC.
_____/

CONSENT ORDER

THIS CAUSE came for consideration upon the rate filing of CAPITAL HEALTH PLAN, INC. ("CHP") with the FLORIDA OFFICE OF INSURANCE REGULATION ("OIR"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise advised in the premises, the OIR finds as follows:

1. The OIR has jurisdiction over the subject matter and the parties herein.

2. CHP is a domestic health maintenance organization authorized to transact health insurance in Florida and offers health insurance plans on the Federal Facilitated Marketplace, the federally operated healthcare exchange formed in conjunction with the Patient Protection and Affordable Care Act ("ACA").

3. CHP was issued a Certificate of Authority by the OIR on May 25, 1982, and is subject to regulation by the OIR pursuant to the Florida Insurance Code.

4. On or before June 11, 2025, CHP submitted a rate filing, Filing ID #25-034302 ("FILING"), to the OIR requesting approval of its ACA product(s) rates for plan year 2026.

5. The OIR approves CHP's FILING for plan year 2026.

6. CHP agrees that upon this Consent Order's execution through December 31, 2026,

CHP shall be subject to the following terms and conditions:

a. CHP agrees to request and obtain the OIR's prior written approval in advance of CHP declaring any dividend or distributing any dividend payments or other assets to its stockholders.

b. CHP must provide a distribution or dividend request ("Request") to the OIR at least thirty days prior to any proposed declaration or distribution date, whichever is earlier.

c. CHP's Request must include:

i. A detailed explanation as to the planned use of the funds being requested.

ii. Updated proforma financial statements, presented on a monthly basis, through end-of-year 2027.

iii. Such other information as the OIR determines is relevant to its review of the Request.

d. To approve CHP's Request, the OIR must determine that the proposed distribution or dividend declaration will not jeopardize the financial condition of CHP. In the OIR's determination,

i. The OIR must consider the liquidity, quality, and diversification of CHP's assets and the effect of the Request on its ability to meet its obligations.

ii. The OIR must consider the impact of the Request on CHP's investment portfolio and investment income.

iii. The OIR must consider the impact of the Request on CHP's written premium to surplus ratios, as required by the Florida Insurance Code.

iv. The OIR may consider industrywide financial conditions.

v. The OIR must consider the impact of the Request in relation to CHP's prior dividend distributions.

vi. The OIR must consider whether the Request relates exclusively to a "pass-through" dividend from a subsidiary of CHP.

e. CHP shall provide the OIR with the following data monthly:

i. enrollment data broken down by month, quarter, and plan year, including the total number of primary enrollees and covered lives;

ii. total number of claims received in the month; and

iii. a list of the top-25 ICD 10 codes by frequency and cost.

7. Any prior orders, consent orders, or corrective action plans that CHP has entered into with the OIR prior to the execution of this Consent Order shall apply and remain in full force and effect for CHP, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

8. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OIR. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

9. CHP affirms that all requirements set forth herein are material to the issuance of this Consent Order.

10. CHP expressly waives a hearing in this matter, the making of findings of fact and conclusions of law by the OIR, and all further and other proceedings herein to which it may be entitled by law or rules of the OIR. CHP hereby knowingly and voluntarily waive all rights to

challenge or to contest this Consent Order in any forum available to it, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

11. Each party to this action shall bear its own costs and fees.

12. CHP agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OIR suspending, revoking, or taking other administrative action as it deems appropriate upon the Certificate of Authority of CHP in this state in accordance with sections 120.569(2)(n) and 120.60(6), Florida Statutes.

13. The parties agree that this Consent Order shall be deemed to be executed when the OIR has signed a copy of this Consent Order bearing the notarized signatures of the individuals or authorized representatives of CHP.

WHEREFORE, the agreement between CAPITAL HEALTH PLAN, INC. and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 13 day of August, 2025.

OFFICE OF INSURANCE REGULATION STATE OF FLORIDA

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, CAPITAL HEALTH PLAN, INC., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind CAPITAL HEALTH PLAN, INC., to the terms and conditions of this Consent Order.

CAPITAL HEALTH PLAN, INC.

By: _____

[Corporate Seal]

Print Name: Jeff Bedenbaugh

Title: Senior VP, Finance and CFO

Date: August 5, 2025

STATE OF Florida

COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of ☒ physical presence or ☐ online notarization, this 5th day of August 2025, by Jeff Bedenbaugh
(name of person)

as Senior VP, Finance and CFO for Capital Health Plan, Inc.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

FAITH B. KENDRICK
MY COMMISSION # HH 645231
EXPIRES: May 20, 2029

_____
(Signature of the Notary)

Faith B. Kendrick
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced Faith B. Kendrick

My Commission Expires May 20, 2029

COPIES FURNISHED TO:

SABAN BASS
CHIEF EXECUTIVE OFFICER
CAPITAL HEALTH PLAN, INC.
2140 Centerville Place
Tallahassee, FL 32308
Email: scbass@chp.org

CAROLYN MORGAN
DIRECTOR
Life & Health Financial Oversight
Florida Office of Insurance Regulation
200 East Gaines Street
Tallahassee, FL 32399
Email: Carolyn.Morgan@floir.com

CARSON GAINES
ASSISTANT GENERAL COUNSEL
Florida Office of Insurance Regulation
200 E. Gaines Street
Tallahassee, Florida 32399
Telephone: (850) 413-4139
Email: Carson.Gaines@floir.com