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INSURANCE REGULATION
Docketed by: EP

OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

Index: OIR 2025-52

IN THE MATTER OF:

CASE NO.: 400152-24-CO

SIDECAR HEALTH INSURANCE COMPANY

/

AMENDED AND RESTATED CONSENT ORDER

THIS CAUSE came for consideration upon the form filing by SIDECAR HEALTH INSURANCE COMPANY ("SIDECAR HEALTH") and 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. SIDECAR HEALTH is a foreign insurer domiciled in the state of Ohio, authorized to transact life and health insurance in the state of Florida.

3. SIDECAR HEALTH was issued a Certificate of Authority by the OIR on April 4, 2023, and is subject to regulation by the OIR pursuant to the Florida Insurance Code.

4. On June 17, 2024, SIDECAR HEALTH submitted a form filing, Filing ID #24-028380 ("FILING") to the OIR requesting to offer a Major Medical Product for fully insured large- employer health plans. As part of this FILING and at the request of the OIR, SIDECAR HEALTH provided three-year projections on July 25, 2024 ("PROJECTIONS"), which included

the projected premium SIDECAR HEALTH planned to write in Florida for years 2024, 2025, and 2026.

5. The OIR approved SIDECAR HEALTH's request to offer a Major Medical Product for fully insured large-employer health plans in Florida beginning in 2024. SIDECAR HEALTH agrees that upon execution of this Consent Order, it shall be subject to the following terms and conditions:

a. SIDECAR HEALTH shall at all times maintain full compliance with the Florida Insurance Code.

b. Based on the PROJECTIONS for Florida, SIDECAR HEALTH projected total premium of $1,259,419 for 2024; $36,859,745 for 2025; and, $94,577,082 for 2026. Through 2026, the total amount premium that SIDECAR HEALTH can write in Florida is capped at the amounts represented herein. Written approval must be secured from the OIR prior to exceeding the capped amounts for 2024 - 2026.

c. Based on the PROJECTIONS, SIDECAR HEALTH prefunded all losses to be incurred for 2024 and provided confirmation of funding to the OIR on August 13, 2024. For purposes of this Consent Order, projected losses mean, with respect to a given calendar year, the Net Income (Loss) from the Profit & Loss Statement based on the most-current projections ("PROJECTED LOSSES").

d. Additionally, SIDECAR HEALTH shall pre-fund all PROJECTED LOSSES to be incurred for 2025 and 2026 by September 30, 2024, and November 30, 2025, respectively. The pre-funding of PROJECTED LOSSES shall be based on the most-current projections available to SIDECAR HEALTH at the time of the funding. By no later than September 30, 2024, and November 30, 2025,

SIDECAR HEALTH shall provide the OIR documentation evidencing that such capital contributions have been received. In addition, for purposes of the November 30, 2025, pre-funding of PROJECTED LOSSES for 2026, SIDECAR HEALTH shall provide the OIR with an unaudited financial statement as of November 30, 2025, by no later than December 10, 2025, which reflects the pre-funded amount.

e. Beginning Q1 2025, and thereafter on a quarterly basis through Q3 2026, SIDECAR HEALTH will re-project the PROJECTED LOSSES for the remainder of the calendar year. If SIDECAR HEALTH's actual losses as reported on line 32 of the Statement of Revenue and Expenses, the net income line ("ACTUAL LOSSES"), are greater than PROJECTED LOSSES initially represented in the most current projections, then SIDECAR HEALTH shall:

    i. Provide a corrective action plan for funding ACTUAL LOSSES within 5 business days of the determination;

    ii. Provide the required additional funding within 45 days of the quarter end date to correspond with the quarterly or annual financial statement filing deadlines;

    iii. Provide documentation evidencing sufficient funding has been received, which shall be filed in the corresponding quarterly or annual financial statement filing by the required filing deadlines; and,

    iv. Provide revised financial projections with quarterly or annual financial statement filing by the required filing deadlines.

f. SIDECAR HEALTH shall provide the OIR the following proof of the capital

infusions made on a quarterly basis when it submits to the OIR its quarterly and annual financial statement filing: (1) proof of deposits and (2) a copy of any required regulatory approvals from the state of domicile to include the infusion on the quarterly or annual financial statement.

g. SIDECAR HEALTH agrees to provide the OIR with quarterly and annual updated financial projections.

h. The OIR may reconsider the pre-funding of PROJECTED LOSSES on a quarterly basis once SIDECAR HEALTH demonstrates two consecutive annual financial statements which reflect positive net income.

i. SIDECAR HEALTH shall comply with its Plan of Operation and supporting documents on file with the OIR. Written approval must be secured from the OIR prior to any material deviation from its Plan of Operation. A material deviation includes, but is not limited to, exceeding the most current projections.

j. SIDECAR HEALTH submitted its Parent's financial statements to the OIR on August 16, 2024.

6. Any prior orders, consent orders, or corrective action plans that SIDECAR HEALTH has entered into with the OIR prior to the execution of this Consent Order shall apply and remain in full force and effect for SIDECAR HEALTH, 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.

7. 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.

8. SIDECAR HEALTH affirms that all requirements set forth herein are material to the issuance of this Consent Order.

9. SIDECAR HEALTH 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. SIDECAR HEALTH hereby knowingly and voluntarily waives 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.

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

11. SIDECAR HEALTH 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 SIDECAR HEALTH in this state in accordance with sections 120.569(2)(n) and 120.60(6), Florida Statutes.

12. 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 SIDECAR HEALTH.

WHEREFORE, the agreement between SIDECAR HEALTH INSURANCE COMPANY 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 30th day of April, 2025.

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, SIDECAR HALTH INSURANCE COMPANY, 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 SIDECAR HEALTH INSURANCE COMPANY, to the terms and conditions of this Consent Order.

SIDECAR HEALTH INSURANCE COMPANY

By: Natalie MacLean Leino

[Corporate Seal]

Print Name: Natalie Leino

Title: Secretary

Date: 04/21/2025

STATE OF Florida

COUNTY OF Broward

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☑ online notarization, this 21st day of April 2025, by Natalie Leino (name of person) as an officer (type of authority; e.g., officer, trustee, attorney in fact) for Sidecar Health Insurance Company (company name)

PETA-GAYE LEBLANC-FRANCIS
Notary Public - State of Florida
Commission # HH 636428
Expires on March 9, 2029

(Signature of the Notary)

Peta-Gaye LeBlanc-Francis
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification ✔

Type of Identification Produced NH DRIVER LICENSE

My Commission Expires 03/09/2029

Notarized remotely online using communication technology via Proof.

COPIES FURNISHED TO:

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