



FILED

DEC 19 2022

INSURANCE REGULATION
Docketed by: 043

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 303942-22-CO

Application for Indirect Acquisition of
LEON HEALTH, INC., by
LIONS SOUTH FLORIDA HOLDINGS, LLC

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing by LIONS SOUTH FLORIDA HOLDINGS, LLC. ("APPLICANT"), with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE"), of an application for the indirect acquisition of LEON HEALTH, INC. ("LH HMO"), pursuant to Sections 628.461 and 641.255, Florida Statutes ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all of the conditions precedent to the granting of approval by the OFFICE for the proposed indirect acquisition of LH HMO by APPLICANT, pursuant to the requirements of the Florida Insurance Code.
3. LH HMO is a licensed Health Maintenance Organization domiciled in the state of Florida and is subject to the jurisdiction and regulation of the OFFICE, pursuant to Part I of Chapter 641, Florida Statutes.

4. LH HMO's upstream ownership is as disclosed in the Application but includes LEON HEALTH I, LLC ("LHI") as its immediate parent. Upon the completion of the transaction that is the subject of this Consent Order, and as otherwise disclosed in the Application, LH HMO's upstream ownership will also include LHS INVESTMENT I, LLC ("LHII") and LMC FAMILY HOLDINGS, LLC ("LMC").

5. APPLICANT's ownership structure is as disclosed in the application but it is ultimately controlled by SUMMIT MASTER COMPANY, LLC ("SMC").

6. APPLICANT plans to indirectly acquire a percentage of the membership interest of LH HMO pursuant to a contribution and purchase agreement as disclosed in the Application ("Transaction").

7. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application, and who has not otherwise disclaimed control, is unacceptable under the Florida Insurance Code, APPLICANT, LHI, LH HMO, LHII, LMC, or SMC shall cause the removal of said person within 30 days of notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes, and the OFFICE may take administrative action as it deems appropriate upon the Certificate of Authority of LH HMO without further proceedings.

8. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC represent there are no present plans or proposals to make substantive changes to the Plan of Operations of LH HMO. Prior written approval must be secured from the OFFICE before any material deviation from said Plan of Operations.

9. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC represent that, except as described in the Application, there are no present plans or proposals to make any substantive changes to LH HMO, including liquidating it, selling any of its assets (except for transactions such as investment portfolio transactions in the ordinary course of business), merging or consolidating it with any person or persons, or making any other major change in its business operations, management, or corporate structure.

10. Notwithstanding other applicable surplus requirements, APPLICANT agrees that LH HMO will remain in compliance with the Risk Based Capital requirements described in Section 624.4085, Florida Statutes.

11. APPLICANT, LH HMO, LHI, LHII, and LMC will cooperate with financial and market conduct examinations conducted by the OFFICE, and make their accounts, records, documents, files, information, assets, and matters in their possession or control freely available to the OFFICE, its examiners, or its investigators, in accordance with Sections 624.318 and 641.27, Florida Statutes.

12. LH HMO shall be required at all times to maintain capital and surplus as required by Sections 641.19(19) and 641.225, Florida Statutes. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC agree that LH HMO's failure to maintain compliance at all times with the capital and surplus requirement would constitute an immediate serious danger to the public and that the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of LH HMO without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

13. APPLICANT acknowledges that any amounts due to LH HMO from a Medical Service Organization as part of a risk sharing arrangement are considered as non-admitted assets when determining compliance with solvency requirements under the Florida Insurance Code.

14. APPLICANT and LH HMO shall not enter into any reinsurance or brokerage agreement, whether affiliated or not, that requires the approval from the reinsurer or broker regarding any potential sale of LH HMO.

15. APPLICANT represents that there are no agreements, written or oral, related to the Application and Transaction that have not been provided to the OFFICE.

16. Any material changes to the information submitted in the Application filing shall be reported to the OFFICE for its review prior to the completion of the Transaction. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC acknowledge that if the OFFICE determines that any of these reported changes would have a material negative impact to the financial condition or operation of LH HMO, the OFFICE may rescind its approval as granted in the Consent Order by written notice to APPLICANT or LH HMO.

17. Within 10 business days after the Transaction is completed, APPLICANT shall submit, or cause to be submitted, to the OFFICE all documents evidencing completion of the Transaction not already provided to the OFFICE. Further, APPLICANT shall notify the OFFICE within 3 business days of a final determination that the Transaction will not occur.

18. All parties to this Consent Order acknowledge that completion of the Transaction is subject to obtaining any other requisite regulatory or governmental approvals and that this Consent Order shall be deemed null and void if the Transaction is not completed within 60 days of the execution of this Consent Order. Accordingly, if APPLICANT fails to receive any other requisite approvals or the Transaction is not completed timely, the provisions of this Consent Order shall terminate automatically and have no effect.

19. LH HMO shall, no later than 15 days after the month in which the Transaction occurs, file an update to their Holding Company Registration Statement, as required by Section 628.801, Florida Statutes, and Rule 690-143.046, Florida Administrative Code.

20. Any prior orders, consent orders, or corrective action plans that LH HMO has entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for LH HMO, 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.

21. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC affirm and represent that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with the Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of LH HMO. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

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

23. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC affirm that all requirements set forth herein are material to the issuance of this Consent Order.

24. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC hereby knowingly and voluntarily waive all

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

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

26. APPLICANT, LHI, LH HMO, LHII, LMC, and SMC agree 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 OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon LH HMO's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

27. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signatures of the authorized representatives of APPLICANT, LHI, LH HMO, LHII, LMC, and SMC.

WHEREFORE, subject to the terms and conditions set forth above, the Application for the indirect acquisition of LEON HEALTH, INC., by LIONS SOUTH FLORIDA HOLDINGS, LLC, pursuant to Sections 628.461 and 641.255, Florida Statutes, is APPROVED.

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

DONE and ORDERED this 19th day of December, 2022.



David Altmaier

David Altmaier, Commissioner
Office of Insurance Regulation

By execution hereof, LEON HEALTH I, LLC, 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 LEON HEALTH I, LLC, to the terms and conditions of this Consent Order.

LEON HEALTH I, LLC

By: [Signature]

Print Name: Albert R. Maury

Title: President and CEO

Date: December 19, 2022

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 19 day of December 2022, by Albert R. Maury

(name of person)

as President and CEO for Leon Health I, LLC.

(type of authority; e.g., officer, trustee, attorney in fact)

(company name)



[Signature]

(Signature of the Notary)

Priscilla Garmendia
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: July 25, 2025

By execution hereof, LMC FAMILY HOLDINGS, LLC, 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 LMC FAMILY HOLDINGS, LLC, to the terms and conditions of this Consent Order.

LMC FAMILY HOLDINGS, LLC

By: [Signature]

Date: December 19, 2022

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 19 day of December 2022, by Alber R. Hairy

as President and CEO for LMC Family Holdings, LLC
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



[Signature]
(Signature of the Notary)

Priscilla Garmendia
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: July 25, 2025

By execution hereof, LEON HEALTH, 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 LEON HEALTH, INC., to the terms and conditions of this Consent Order.

LEON HEALTH, INC.

By: *Albert R. Harry*

Print Name: Albert R. Harry

Title: President and CEO

Date: December 19, 2022

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 19 day of December 2022, by Albert R. Harry

as President and CEO for Leon Health Inc.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



Priscilla Garmendia
(Signature of the Notary)

Priscilla Garmendia
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: July 25, 2025

By execution hereof, LHS INVESTMENT I, LLC, 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 LHS INVESTMENT I, LLC, to the terms and conditions of this Consent Order.

LHS INVESTMENT I, LLC

By: [Signature]

Print Name: ALBERT R. MAURY

Title: President and CEO

Date: December 19, 2022

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 19 day of December 2022, by Albert R. Maury

as President and CEO for LHS Investment I, LLC.
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



[Signature]
(Signature of the Notary)

Priscilla Garmendia
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: July 25, 2025

By execution hereof, LIONS SOUTH FLORIDA HOLDINGS, LLC, 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 LIONS SOUTH FLORIDA HOLDINGS, LLC, to the terms and conditions of this Consent Order.

LIONS SOUTH FLORIDA HOLDINGS, LLC

By: 

Print Name: Peter Francis

Title: Manager

Date: 12/19/2022

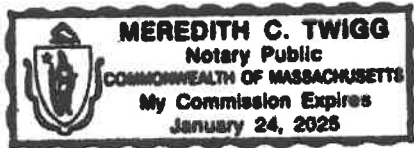
STATE OF Massachusetts

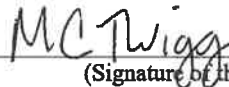
COUNTY OF Suffolk

The foregoing instrument was acknowledged before me by means of physical presence

or online notarization, this 19 day of December 2022, by Peter Francis

as Manager for Lions South Florida Holdings, LLC
(type of authority; e.g., officer, trustee, attorney in fact) (company name)
(name of person)




(Signature of the Notary)

Meredith Twigg
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: January 24, 2025

By execution hereof, SUMMIT MASTER COMPANY, LLC, 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 SUMMIT MASTER COMPANY, LLC, to the terms and conditions of this Consent Order.

SUMMIT MASTER COMPANY, LLC

By: *[Signature]*

Print Name: Peter Y Chung

Title: Member

Date: December 19, 2022

STATE OF _____

COUNTY OF _____

The foregoing instrument was acknowledged before me by means of physical presence
or online notarization, this _____ day of _____ 2022, by _____
(name of person)
as _____ for _____
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known _____ OR Produced Identification _____

Type of Identification Produced _____

My Commission Expires: _____

*Please see attached
acknowledgment form*

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of San Mateo)

On December 19, 2022 before me, Elizabeth A. Galliant, Notary Public,
Date Here Insert Name and Title of the Officer

personally appeared Peter Y. Chung
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Elizabeth A. Galliant
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Leon Health Consent Order Document Date: December 19, 2022

Number of Pages: 1 Signer(s) Other Than Named Above: N/A
signature page

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Corporate Officer -- Title(s): _____

Partner -- Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

Signer's Name: _____

Corporate Officer -- Title(s): _____

Partner -- Limited General

Individual Attorney in Fact

Trustee Guardian or Conservator

Other: _____

Signer Is Representing: _____

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