

FILED

AUG 05 2023

INSURANCE REGULATION
Docketed by: AB



OFFICE OF INSURANCE REGULATION

MICHAEL YAWORSKY
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 313055-23-CO

OSCAR INSURANCE COMPANY
OF FLORIDA
_____ /

CONSENT ORDER

THIS CAUSE came on for consideration as the result of an agreement between the FLORIDA OFFICE OF INSURANCE REGULATION (“OFFICE”), and OSCAR INSURANCE COMPANY OF FLORIDA (“OSCAR”), to remove OSCAR’s enrollment cap on new members. 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 of the parties herein.
2. OSCAR is a domestic insurer, authorized to write the (450) Accident and Health line of insurance in Florida, and subject to regulation by the OFFICE pursuant to the Florida Insurance Code and Florida Administrative Code.
3. OSCAR is a wholly owned subsidiary of Oscar Health, Inc., a Delaware corporation.
4. OSCAR 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”). OSCAR is also licensed to sell comprehensive health insurance

policies to individuals directly, outside of the federal exchange. OSCAR began writing individual accident and health insurance on January 1, 2019.

5. On October 27, 2022, OSCAR requested the placement of an enrollment cap on new enrollments in the event its membership exceeded a specified threshold during Open Enrollment. On December 13, 2022, the Center for Consumer Information and Insurance Oversight (“CCIIO”), placed an enrollment cap for new enrollments on OSCAR pursuant to 45 C.F.R. § 147.104(d). Based on federal regulation, this cap was required to stay in place until at least June 12, 2023.

6. On May 24, 2023, OSCAR requested that the OFFICE approve the removal of the enrollment cap. The OFFICE has determined that OSCAR has sufficient capital reserves and financial wherewithal to underwrite new business, effective immediately.

7. OSCAR agrees that, upon execution of this consent order, OSCAR shall be subject to the following terms and conditions:

- a) Consistent with the terms laid out in the 2018 licensing Consent Order 228148-18-CO, and section 628.371, Florida Statutes, OSCAR shall not distribute any dividend payments, cash distributions, or other distributions of assets until OSCAR reports profitability for two consecutive annual reporting periods. At the request of OSCAR, the OFFICE may reevaluate this provision based on mid-year financial performance. These limitations do not apply to transactions pursuant to approved affiliated agreements.
- b) Consistent with the terms laid out in the 2018 licensing Consent Order 228148-18-CO, other than making ordinary course of business investments under Chapter 625,

Florida Statutes, OSCAR shall not enter into arrangements which deploy excess capital without the prior written approval of the OFFICE. This provision will remain in effect until OSCAR reports profitability for two consecutive annual reporting periods. At the request of OSCAR, the OFFICE may reevaluate this provision based on mid-year financial performance.

- c) OSCAR shall file quarterly risk-based capital reports with the OFFICE, beginning with the June 30, 2023, Quarterly Financial Statement submission, and until OSCAR reports profitability for two consecutive annual reporting periods.
- d) OSCAR shall file quarterly actuarial certifications with the OFFICE, beginning with the June 30, 2023, Quarterly Financial Statement submission, and until OSCAR reports profitability for two consecutive annual reporting periods.
- e) OSCAR shall provide weekly updates on membership numbers during the 2024 and 2025 ACA open enrollment period.
- f) OSCAR shall obtain prior written approval for any material deviation to its Plan of Operations (“Plan”). A material deviation includes, but is not limited to, an expansion into other business or service areas or exceeding the financial projections filed with the application. During the time that the OFFICE is considering a change to OSCAR’s Plan, OSCAR is required to notify the OFFICE within 5 business days of any changes to the proposed Plan. The update should contain a written explanation for any changes along with supporting documentation, including but not limited to, an updated Plan, updated financial projections, updated enrollment by county and any agreements that may be impacted by the changes to the Plan.

Failure to provide timely updates to the OFFICE may result in a denial of the request.

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

9. OSCAR affirms that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this request, 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 current and future operations of OSCAR. OSCAR further agrees and affirms 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.

10. 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.

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

12. OSCAR expressly waives 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. OSCAR hereby knowingly and voluntarily waives 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.

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

14. OSCAR 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 OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon OSCAR's Certificate of Authority in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

15. 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 notarized signatures of the authorized representatives of OSCAR.

16. If all provisions of this Consent Order have been met, as determined by the OFFICE, this Consent Order shall expire on June 30, 2025.

WHEREFORE, subject to the above terms and conditions, the request for the removal of OSCAR's enrollment cap is hereby APPROVED.

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

DONE and ORDERED this 5th day of August, 2023.



A handwritten signature in blue ink, appearing to read "Michael Yaworsky".

Michael Yaworsky, Commissioner
Office of Insurance Regulation

By execution hereof, OSCAR INSURANCE COMPANY OF FLORIDA, 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 OSCAR INSURANCE COMPANY OF FLORIDA, to the terms and conditions of this Consent Order.

OSCAR INSURANCE COMPANY OF FLORIDA

DocuSigned by:
By: Sid Sankaran
27A25CCAB3DF43F...

[Corporate Seal]

Print Name: Sid Sankaran

Title: CFO

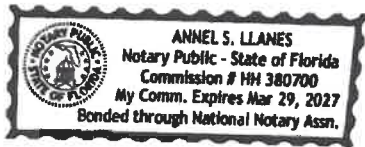
Date: 8/5/2023

STATE OF Florida

COUNTY OF Dade

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

online notarization, this 5th day of August 2023, by Annel Llanes
as CFO for Oscar Insurance Company of Florida
(type of authority: e.g., officer, trustee, attorney-in-fact) (company name)



DocuSigned by:
Annel Llanes
9A3C8AF8506F4DF... (Signature of the Notary)

Annel Llanes
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known OR Produced Identification _____

Type of Identification Produced N\A

My Commission Expires March 29, 2027

COPIES FURNISHED TO:

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